

# COCO REPUBLIC

Modern Slavery Statement 2022



# DISCLOSURE NOTE

**This statement has been made on behalf of Saveba Pty Ltd  
ABN 64 002 728 985.**

This statement covers all entities and brands owned or controlled by Saveba Pty Ltd, including Coco Republic, Coco Republic Outdoor, Max Sparrow, Republic Furniture & Saveba Hospitality Pty Ltd trading as L'Americano.

## ABOUT US

Saveba Pty Ltd "Saveba" has been operating in Australia since 1979.

Saveba was registered in 1984 and traded under the name of Coco Republic, Max Sparrow, Coco Republic Outdoor and Republic Furniture during the reporting period. In October 2021, Saveba partnered with Los Angeles based private equity firm STORY3 Capital Partners with the aim of expanding its portfolio domestically and internationally. Saveba aims to be a leading global direct to consumer lifestyle brand, with our parent company – Coco Republic, INC in the United States. For the purpose of this statement, we will be reporting on activities that have been performed by Saveba.

The Company's mission is to build a global community and act as the guide to those who seek a well-designed lifestyle. The company's vision is to foster the creation of inspiring, memorable and functional space across the globe.

In 2014, Saveba Hospitality Pty Ltd, which is wholly owned by Saveba Pty Ltd was established and has traded under the name of L'Americano. L'Americano offers food and beverages with the aim of enriching the in-store experience for visiting clients and customers.

Saveba is driven by our Belief, Mission and Values. These are shared with our teams across Australia and New Zealand and are reinforced through our People & Culture tool and processes.

The values of the company are embedded in our name COCO from Coco Republic, which are:

**COMMUNITY / OPPORTUNITY / CARE / OWNERSHIP**

## COMMUNITY

Building an inclusive sense of belonging with colleagues and customers by:

- Supporting each other
- Working together with respect
- Creating a positive environment

## OPPORTUNITY

Flourish and grow within the community through:

- Inspiration through fresh ideas
- Innovation through new initiatives
- Opportunities for learning and growth

## CARE

We care for our team, our community and our environment by:

- Creating a positive environment
- Reducing waste and improving process
- Following health and safety and compliance laws
- Valuing our local communities as part of our team

## OWNERSHIP

Be the best we can be by:

- Taking responsibility
- Showing integrity and ethics
- Demonstrating high standards

*"Our company is passionate in demonstrating and implementing our COCO core values – Community, Opportunity, Care and Ownership. Our three-year Modern Slavery roadmap is in the process of being implemented across the business. We have engaged an external consultancy firm to assist in executing our roadmap in the 22-23FY. This statement will outline the current and future initiatives our company will apply to help put an end to modern slavery"*

Executive Directors – Anthony Spon-Smith & Jeremy Byrne



# OUR INITIATIVES

## *Our 2021 - 2022 Initiatives*

In 2022, the Company has continued to focus on its suppliers, modern slavery and our internal policies and procedures.

The Company appointed an internal Legal Team towards the end of the 21 - 22 financial year to work on the modern slavery framework and roll out a three year plan commencing in the 22 - 23 financial year.

We have been focusing on reviewing internal company policies and suppliers to flag areas of risk which will be addressed accordingly in the three year road map. we have also maintained visits to our suppliers and their manufacturing facilities on a regular basis to undertake internal assessments of the suppliers standards and conditions, these visits allow us to assess any modern slavery issues that may arise during our visits.

## Our Plans For 2022-2023 Financial Year

- Appoint third party modern slavery consultant to assist modern slavery framework rollout across the Company
- Establish and implement Supplier's Code of Conduct
- Roll out modern slavery education program across the Company
- Introduce supplier modern slavery questionnaire which must be completed prior to onboarding or contract renewal
- Centralized supplier database including modern slavery risk assessment
- Introduction of new supplier agreement
- Review and enhance current due diligence process onboarding suppliers and identify any risks
- Team members to continue regular on-site supplier visits to conduct internal audit/ risk assessment

## Our Plans Beyond 2022-2023 Financial Year

Our Company plans to continue implementing its three-year road map beyond the 2022-2023 financial year. In addition to the initiatives outlined above, some of the new initiatives that will be introduced include:

- Take measures to identify the Company's indirect supply chains
- Annual risk-assessment – regularly assess the risk rating of our suppliers and determine whether the risk rating has increased or decreased from previous year rating
- Assess risk of modern slavery in our indirect supply chain
- Team members to continue visiting overseas suppliers and manufacturers to undertake internal risk assessment
- Conduct regular modern slavery education program



# REPORTING CRITERIA 1 & 2

## **Our Brands & Structure**

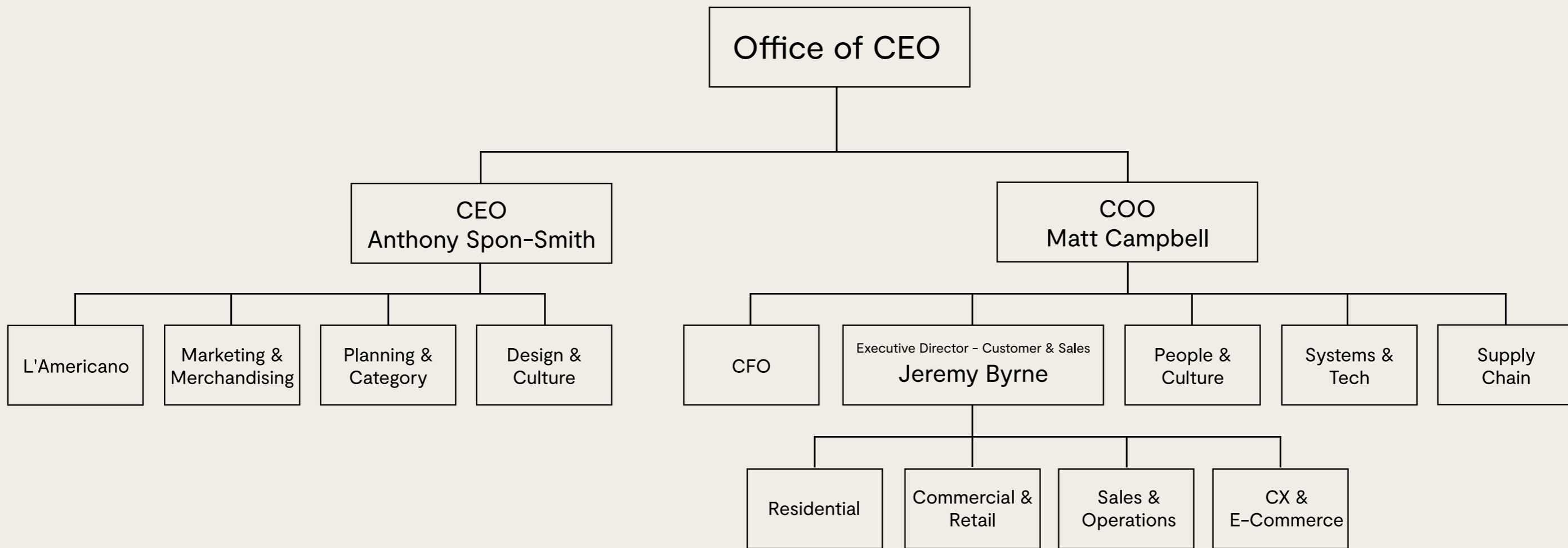
### ***Our Organisational Structure***

As a mid-size organisation with over 400 employees, our organisational structure is largely a flat structure.

Our business is categorised into five divisions:

- Residential (including our Showrooms and Residential Interior Design)
- Commercial (including Commercial Interior Design and Rental (Short term and Long term rentals))
- Wholesale
- Shared Services (including Finance, HR, and IT)
- Middle Office (Warehouse, Marketing, Buying, Planning and Sales Operations)

*Our Organisational Structure*



# REPORTING CRITERIA 1 & 2

## Our Brands & Structure

### *Our Operations*

As of 30 June 2022, the business has 15 showrooms throughout Australia and New Zealand, our head office is located in Alexandria, NSW. The business launched 3 new showrooms in the 21-22 financial year – the new stores are located in Balgowlah (NSW), Karrinyup (WA) and Canberra (ACT). The products we provide include indoor furniture, homewares, lighting, rugs, art and outdoor furniture. During the reporting period, Saveba has also been working with its parent company – Coco Republic INC, on expansion into the United States market, with the preparation of launching a new showroom in San Francisco's Union Square, which will be ready for operation during the 2022-2023 financial year reporting period.

Besides providing retail services in Australia and New Zealand, the company supplies wholesale products into the United States market. The Company provided the following full service divisions, being: Coco Republic Interior Design for residential commercial and hospitality projects, Coco Republic Property Styling.

Saveba Hospitality Pty Ltd, which is wholly owned by Saveba Pty Ltd was established in 2014 and has been trading as L'Americano since 2015. L'Americano provides hospitality services and are currently located within our showrooms in Alexandria (NSW), Balgowlah (NSW), Castle Hill (NSW), Canberra (ACT), Fortitude Valley (QLD), Karrinyup (WA) and Westfield Newmarket (NZ).

### *Our Governance Framework*

In the 2021-2022 financial year, Saveba's governance team has been working on the following areas:

- Review and update anti-bribery and corruption policy
- Review and update modern slavery statement
- Review and update the modern slavery provisions into whistle blower policy
- Engage external modern slavery firm to roll out three year roadmap

As Saveba is supported by operation partners and product supply chains of different industries, we acknowledge that there are modern slavery risks in our operation and supply chains. The governance team and the modern slavery action group will be continuing in assessing, monitoring, and reducing the risk of modern slavery in our operations and supply chain.

# REPORTING CRITERIA 1 & 2

## Our Brands & Structure

*Our Operations - Showroom Locations in AU and NZ*



# REPORTING CRITERIA 1 & 2

## Our Brands & Structure

### *Our Supply Chain*

Saveba relies on support of our operation and supply chains partners to assist us with our business. In the reporting period, the company has around 550 operations and supply chain partners.

In relation to our supply chain, we source our product manufactures from the following countries: Australia, Belgium, Canada, China, Denmark, Finland, Hong Kong, India, Indonesia, Ireland, Lithuania, Macau, Malta, Netherlands, New Zealand, Pakistan, Poland, Romania, Singapore, United States of America, Vietnam. Our operation and supply chain partners provide services to our business in the following categories: manufacturer of goods, logistic services providers, information and communications technology (ICT) partners, legal service providers, marketing services providers and provision of real estate/ property management services.

We require all of our operations and supply chain partners to comply with the relevant legislations in their countries and if they are in breach of any legal obligation, we may terminate their agreement. The diagram on P. 14 shows the geographic location of our Tier 1 suppliers.

### *Our People*

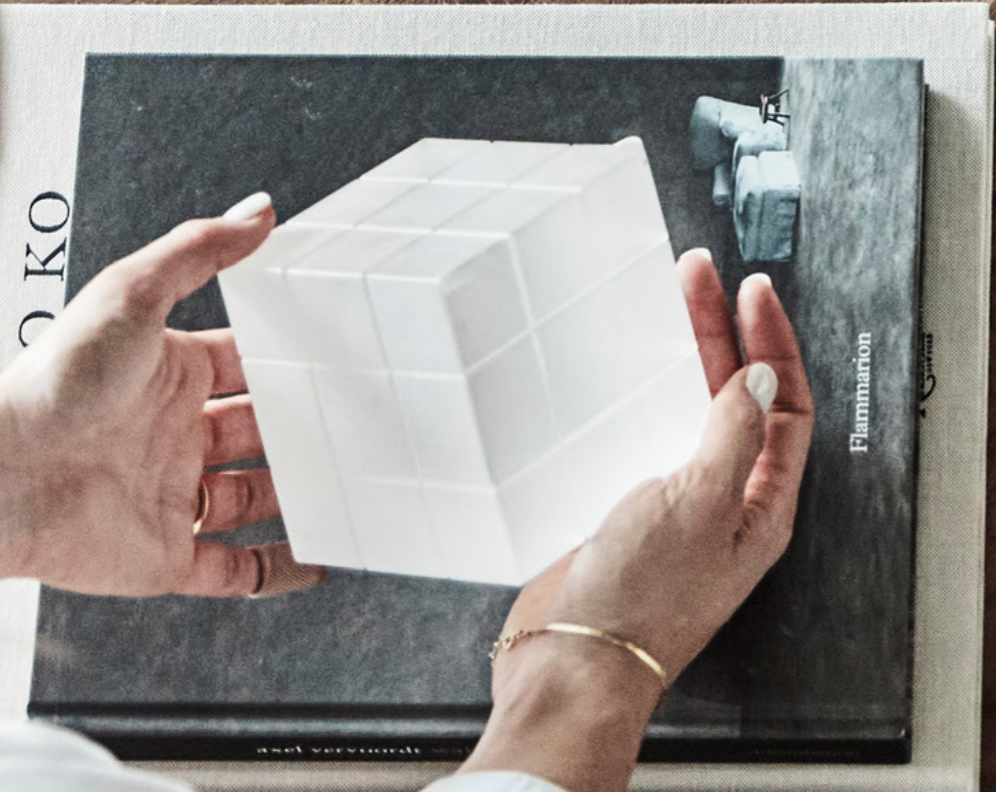
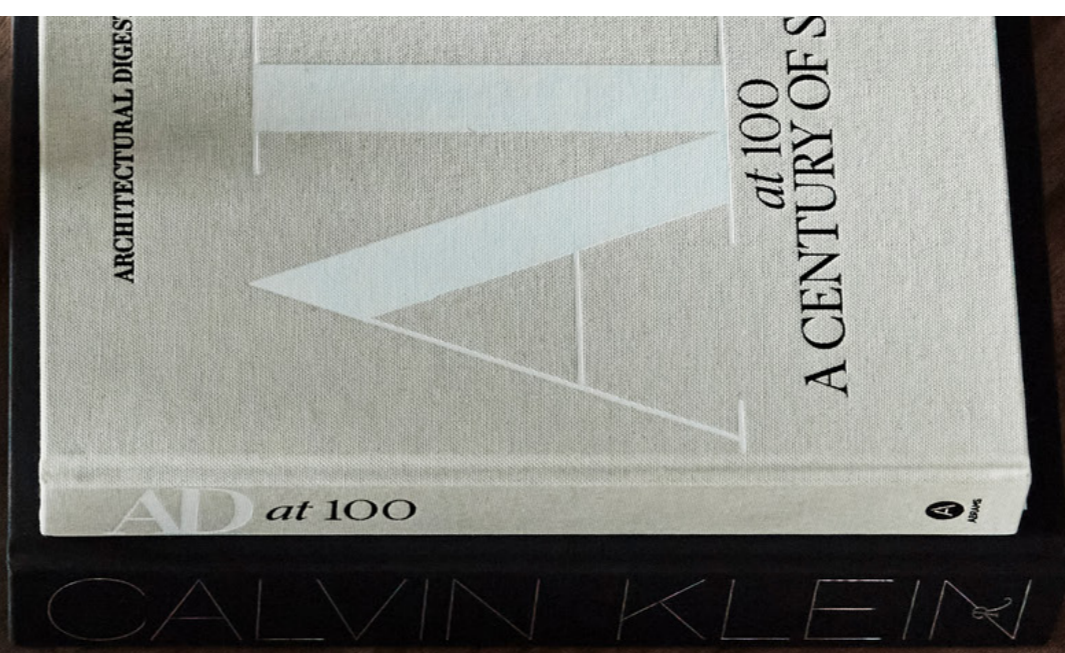
On-boarding processes for our new employees are managed through an automated system which ensures provision and acknowledgment of Fair Work Information Sheet, submission of Australian work rights evidence, collection of taxation and superannuation details, and provision and acceptance of employment contracts.

Any VISA sponsorships are managed through external registered migration agents. Our policies communicated to our teams which are updated from time to time, include Code of Conduct, Whistle blower, Social Media, Work Health & Safety, Anti Discrimination, Drug and Alcohol, and Harassment & Bullying.

Our employees are both Award covered and non Award covered. Employment conditions for all employees are as per National Employment Standards and this is referenced in all employment agreements. We monitor and implement Award pay rate increases throughout the year and conduct bi-annual internal audits on Award rate, penalty and allowances compliance. External audits are conducted on tax and superannuation compliance.

List of global suppliers and locations





# REPORTING CRITERIA 1 & 2

## **Our Brands & Structure**

### *Our Covid-19 Response*

As the Coronavirus (COVID-19) pandemic has brought significant challenges globally, our operations and supply chain has also been affected. During the reporting period, the company has been focusing our priority on the safety, physical and mental wellbeing of our people, key stakeholders, suppliers and their people. The company has continued to monitor the COVID-19 situation and introduce precautionary measures to ensure safety of employees, stakeholders and communities well-being while ensuring business continuity.

As COVID restrictions ease, stakeholders within the business recommenced onsite visits to our overseas suppliers during the reporting period. As the restrictions continue to ease globally, we are looking forward to visit our suppliers across the globe to perform due diligence assessments and to provide our suppliers with support they may require to minimising the risk of modern slavery in their supply chain.



# REPORTING CRITERIA 3

## Modern Slavery Risks in Operations & Supply Chain

### **Overview**

Our focus in the 2021-2022 financial year was to further understand risk of modern slavery in our operation and supply chain and integrate modern slavery risk management process into our company policies and procedures.

### **Operational Risks**

During the last statement, a modern slavery gap analysis was undertaken by the Company with assistance from external experts and the key areas that require improvement are identified below:

- Management systems
- Human resource and recruitment
- Procurement and supply chain
- Risk management
- Customer and stakeholders

While we consider the risk within our direct business operation to be low, as our business have a centralized workforce, we recognize there are potential risks of modern slavery in our external operational suppliers, such as: leasing, cleaning, sub-contract and other third-party relationships.

The company is committed to raise awareness of modern slavery risks across our business, operations and supply chain. We are actively looking at training programs and developing, reviewing and updating policies and procedures which can increase staff awareness and allow them to report if there is any suspect of modern slavery practice in any of our operation of supply chain.

### **Supply Chain Risks**

In the 2021-2022 financial year, we continued to monitor our suppliers based on their geographic, sector and industry risk, geographic risk and supply chain model risk. In the 2022-2023 financial year we will be assessing the risk of these suppliers. We recognize there is risk exist in our supply chain which will require ongoing monitoring and improvement and we are looking forward to conduct further due diligence on our suppliers by conducting a self assessment questionnaire for each of our suppliers and onsite visits where permissible in the upcoming report period.

## REPORTING CRITERIA 3

### Modern Slavery Risks in Operations & Supply Chain

With assistance of our modern slavery consultant the company has analyzed closed to \$100 million of procurement data in relation to our top 100 spending suppliers for potential modern slavery risk against 4 internationally recognized risk indicators.

#### **Sector & Industry Risk –**

Specific industry or sectors deemed as high risk because of their characteristics, products and processes.

#### **Product & Service Risk –**

Specific products and services deemed as high risk because of the way the product or service is produced, provided or used.

#### **Geographic Risks –**

Based on estimated prevalence of modern slavery in the location that the production or service is sourced or produced from. The suppliers that is being engaged by the business is a mixture of both domestic and overseas and we recognise that they may come from high risk countries and the business has been working on conducting further due diligence process to better understand the level of risk that is being presented.

#### **Supply Chain Model Risk –**

In undertaking our supplier analysis we considered the nature of the supply chain model (i.e. use of sub-contracting and use of labour hire which may increase risks fo modern slavery)

## REPORTING CRITERIA 3

### Modern Slavery Risks in Operations & Supply Chain

#### *Supply Chain Risks*

As one of Australia and New Zealand's leading furniture and design brands, Coco Republic has a mature and complex global supply chain that has evolved over the 40 years we have been in business. In this reporting period, we have assessed our top 100 spending suppliers, 36 of them provided stock items (which are items we sell to customers) and 64 of them provided non stock goods and services (i.e. office suppliers, facility management, ICT hardware and software, advertising and etc.)

The majority of our stock suppliers are based in overseas and 92% of our non-stock suppliers are based in Australia, with 6% based in New Zealand and 2% based in Canada. After the assessment, we acknowledge that there is potential modern slavery risk in our supply chain; however, the risk is concentrated in a relatively small number of suppliers and spend categories.

We are looking forward to conduct further supplier due diligence assessment next year to gain better understanding of the risk and managing them with our suppliers in future reporting period.

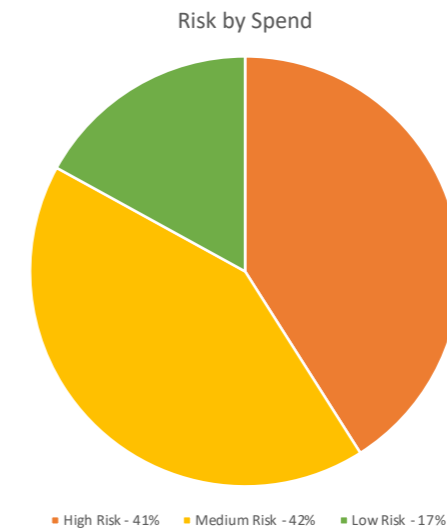
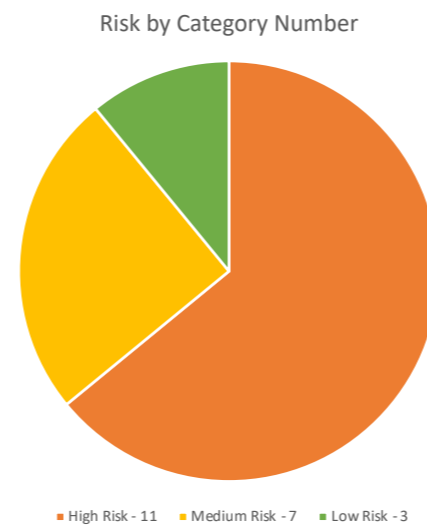
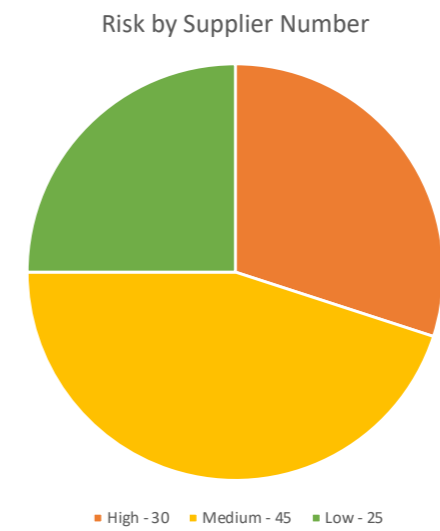
# REPORTING CRITERIA 3

## Modern Slavery Risks in Operations & Supply Chain

### Supply Chain Risks

Key findings from our analysis of our top 100 spend suppliers are as follows:

- Approximately 41% of Coco Republic's spend on stock and non-stock items is potentially high risk for modern slavery – this percentage has decreased from the previous reporting period
- 30% of suppliers are potentially high risk for modern slavery – this percentage has halved since our last reporting period
- 11 of 21 spend categories analysed were potentially high risk of modern slavery



# REPORTING CRITERIA 3

## Modern Slavery Risks in Operations & Supply Chain

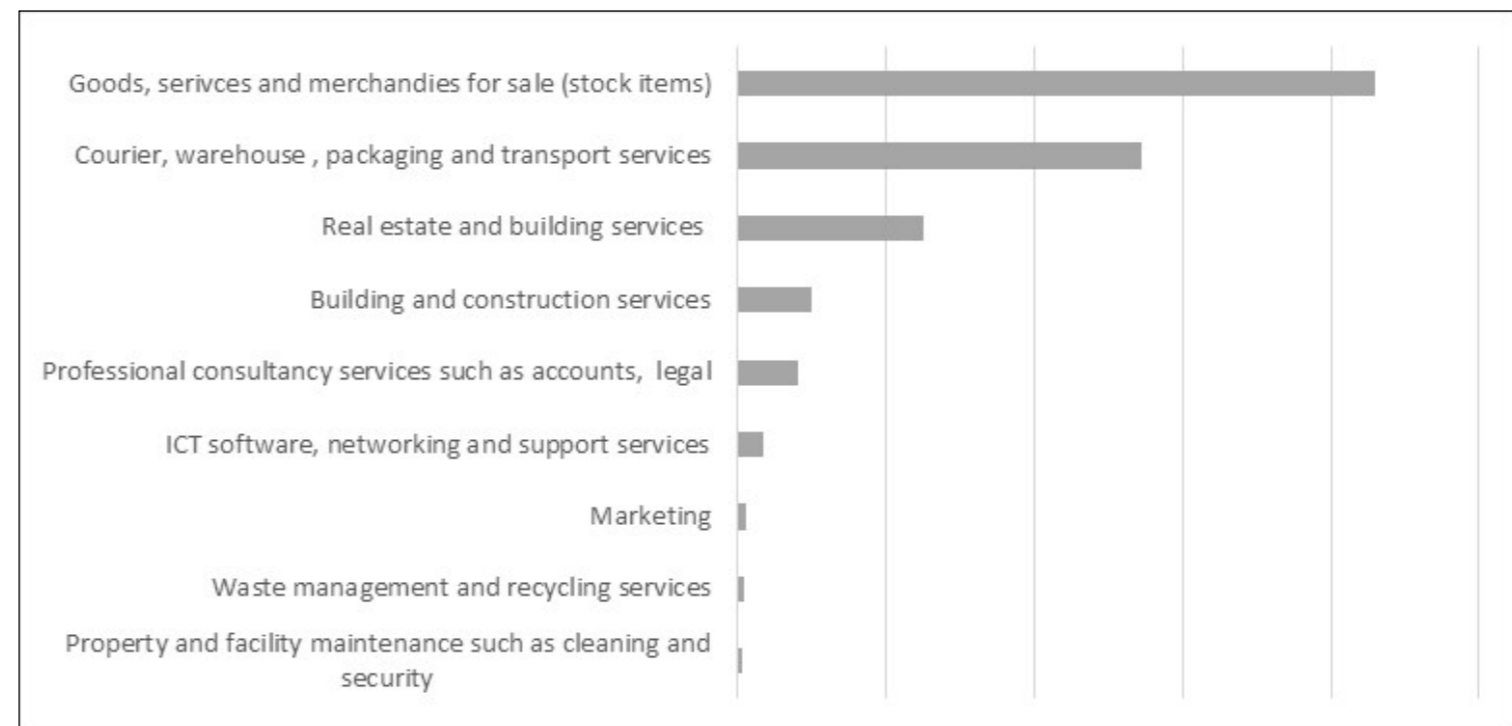
### Category Risk

From our top 100 spend suppliers, we have identified the top five categories of goods and services that pose the highest potential risk for modern slavery at Coco Republic as follows:

- Goods, services and merchandise
- Courier, warehouse, packaging and transport services
- Building, construction and fabrication services
- ICT software, networking and support services
- Property and facility maintenance services

Around 80% of our stock items are manufactured in countries considered higher risk for modern slavery such as China and Indonesia.

Our highest risk non-stock spend categories are courier, warehouse, packaging, transport, and building and construction services (as suppliers in these categories involve a high level of outsourcing and the multi-tiered supply chain means little visibility and control over recruitment of sub-contractors and/ or suppliers.



## REPORTING CRITERIA 3

### Modern Slavery Risks in Operations & Supply Chain

#### *Country Risk*

During the reporting period, the company has operation and supply chain partners from 21 countries and locations, being: Australia, Belgium, Canada, China, Denmark, Finland, Hong Kong, India, Indonesia, Ireland, Lithuania, Macau, Malta, Netherland, New Zealand, Pakistan, Poland, Romania, Singapore, United States and Vietnam.

*We noted that over half of our high risk spend on stock items is with suppliers located in China and Indonesia.*

In this reporting period, we have assessed the risk of our top 100 spending suppliers based on their geographic locations (based on whether the countries are known to have higher risk of worker exploitation, underpayment of wages and excessive working hours), sector and industry risk (sectors which are known to present higher risk for modern slavery in both Australia and internationally) product and service risk and supply chain model risk. As it is a high-level analysis, it is more of a generic outcome and does not reflect actual risk of our supplier. We are pleased to advise that we have not received any reports of modern slavery practice in our operations and supply chain.

The company would like to be able to engage with all our operation and supply chain partners to develop a better understanding of the actions that have taken to mitigate the risk of modern slavery in their business down the track. At the moment, the company has determined in the next reporting period, the company will:

*- Engage with our operations and supply chain partners and require them to complete an assessment questionnaire to allow the company to better understand modern slavery risks presented in their business and the actions they took to address the risk.*

*- Arrange on-site visit to suppliers to conduct further assessment and identify any modern slavery risk.*



## REPORTING CRITERIA 4

### **Actions Taken to Assess & Address Risk**

The process of identifying and assessing and addressing modern slavery risk is complex and the Company is committed to gain further understanding and reduce the risk of modern slavery in our operations and supply chain. Despite challenges that have been imposed by COVID-19, the company has managed to implement the following actions in assessing and addressing our risks:

#### ***Policies and Supplier Contract Review***

During the 2021-2022 financial year, we have been reviewing the company's policies and supplier contract. We have been working on establishing our supplier's code of conduct. Furthermore, our standard supplier contract is updated to show suppliers that we are committed to working in collaboration with supplier to reduce the risk of modern slavery. In our updated contract, we also advise suppliers that we will have a right to conduct random audit to ensure supplier is not engaged in any modern slavery behavior.

#### ***Raising Awareness of Employees***

We have been preparing a modern slavery education program to roll out across divisions of the organization who play an important role with suppliers engagement with the aim of having it roll out in first quarter of 2023.

#### ***Assessing Risks***

With the assistance of our consultant, we worked on developing a self assessment questionnaire for our suppliers to complete which will allow us to gain an understanding of our supplier's purchasing practice, supply chain mapping and if the supplier has any modern slavery risk management commitment and rate them accordingly.



# REPORTING CRITERIA 4

## Actions Taken to Assess & Address Risk

### Modern Slavery Road map

With formation of new modern slavery action group, we have revisited the action plan and roadmap and have updated the actions that Company has taken and the areas that furthers actions can be taken.

The diagram on the right provides a summary of the key initiatives that we are looking to roll out in the 2022-2023 financial year:

2022 Review / Plan / Implementation	2023 Implementation	2024 Extend / Review
<p>Modern slavery risk assessment of top 100 suppliers;</p> <p>Enhance corporate social responsibility in the organization with focus on modern slavery and sustainability</p> <p>Action plan workshop with different divisions in the business to identify gaps and update action plan</p>	<p>Establish and roll out Supplier's Code of Conduct</p> <p>Execute modern slavery education program to divisions in the organization who are more likely to be impacted by the legislation/ requirement</p> <p>Coco Republic team members visiting overseas supplier to conduct on-site assessment</p>	<p>Assess whether risk rating of any of the organization's direct supply chain has changed (including if new supplier has been on-boarded)</p> <p>Assess risk of modern slavery in organization's indirect supply chain</p> <p>Promote modern slavery policy internally and externally</p> <p>Engage high priority direct supplier network to participate in modern slavery training and awareness program</p> <p>Develop guidance material for enforcing and assessing process for procurement team</p>

# REPORTING CRITERIA 5

## Effectiveness Assessment

### ***Reporting and Accountability***

The Company acknowledges that there is risk of modern slavery in the retail industry and it will be a long term ongoing monitoring and improvement process that require collaboration between the organization and our operations and supply chain. Currently, the Company has a regular review process which is oversight by the Executives to track the steps that we have taken in managing modern slavery risk.

### ***Annual Review - Executive***

The Executives review actions and responses that have been taken and signed off our annual Modern Slavery Statement to assess and ensure the company is compliant with the requirement under the Modern Slavery Act and make progress aligning with our action plan.

### ***Quarterly Review - Senior Management Team (SMT) and Executives***

The Senior Management Team of the organization will receive updates from the Governance Team in relation to progress, issues and achievements in relation to actions taken in managing modern slavery risk.

### ***Monthly Review - Governance Team***

The Governance Team will identify if there is any known risk of modern slavery reported by our employees or supplier, if there is, it will be reported to the Executives and Senior Management Team. Saveba is eager to report that during the past 3 reporting periods, we have not received any reports of modern slavery practice in our operations and supply chain.



## REPORTING CRITERIA 6

### Process of Consultation with Others

Saveba Hospitality Pty Ltd is the only entity in Australia that is related to and controlled by Saveba Pty Ltd. Both entities share the same executive management. During the reporting period, relevant business units of Saveba Pty Ltd and Saveba Hospitality Pty Ltd have been consulted in relation to the development and preparation of this statement. Both entities have worked in collaboration to identify and assess the risk of modern slavery in our supply chain and reporting the risks to our Board to enable the development of management strategy in response to the risk presented in our operation and supply chain.

This statement was approved by the Board of Saveba Pty Ltd and its controlled entities for the period ending 30 June 2022.

*Signed*



Anthony Spon-Smith  
Executive Director

Saveba Pty Ltd  
Saveba Hospitality Pty Ltd  
23 December 2022

COCO REPUBLIC