

MODERN SLAVERY STATEMENT

As at 30 June 2024

SEAGRASS
BOUTIQUE HOSPITALITY GROUP

Reporting Entity:

This statement sets out the obligations and compliance of **Seagrass Holdco Pty Limited ABN 91 634 224 936** and its controlled entities (**'Seagrass Group'**) with respect to the Modern Slavery Act 2018. The Seagrass Group is committed to upholding the highest standards of ethical conduct and human rights in its operations and supply chains. This statement outlines Seagrass' commitment to preventing modern slavery and human trafficking in all aspects of its business activities.

Organisation Structure:

Seagrass Holdco Pty Ltd (the parent entity) is the ultimate beneficiary of each operating entity/restaurant, with each restaurant operating in its own capacity as a separate legal entity.

As at 30 June 2024 the Seagrass Group employed:

- 1,365 employees in Australia; and
- 127 employees in the United Arab Emirates.

The Seagrass Group consists of 17 hospitality venues in Australia and another 2 in the UAE. The venues are full-service restaurants operating under the following trading names:

6Head (1788) – 2 restaurants in Australia;

The Meat & Wine Co – 12 restaurants in Australia; and

Hunter & Barrel – 3 restaurants in Australia and 2 in the UAE.

Operations and Supply Chain Summary:

Seagrass specialises in creating innovative restaurant concepts across multiple market segments that attract customers by uniquely combining quality, taste and experience to create memorable dining experiences.

At Seagrass, we have established long standing relationships with a range of suppliers specifically in the meat, dairy and fresh produce sectors of the market. We regularly source premium products with a focus of securing supplies from Australian based providers. Seagrass has established a training guide which is governed by the Group, to ensure all products meet with the Group's standards and specifications prior to serving the product to the customers. All products are quality tested.

Seagrass purchases goods and services predominantly from suppliers and contractors in Australia. When importing items from international regions, Seagrass engages the services of domestic companies to oversee the procurement and transport of such items to take advantage of their economies of scale and buying power given Seagrass does not specialise in foreign markets.

For example, Seagrass' restaurants stock and sell foreign wines, however such wines are purchased via domestic wholesalers.

Risks within Operations and Supply Chains:

The hospitality sector is vulnerable to modern slavery risks such as forced labour and trafficking due to the use of low-skilled and migrant workers. The Group recognises that it has a responsibility to take a robust approach to slavery and human trafficking. Managing modern slavery risks in procurement

and supply chain is essential, and the hospitality industry should encourage suppliers to adopt responsible business practices.

In effort to strengthen its business practices with respect to Modern Slavery Risk assessment, the Group has refined its risk assessment methodology.

The 2024 Modern Slavery Self-Assessment Questionnaire (SAQ) has been refined to improve the clarity and relevance of questions, ensuring a more precise assessment of suppliers' practices in relation to modern slavery. Taking into consideration the feedback from the prior year, questions were updated to better address the specific contexts of different suppliers, including small businesses. The questionnaire has also been updated to ensure better alignment with modern slavery legislation and evolving best practices, targeting more specific risk areas.

This year Seagrass undertook an exercise to determine its top 250 utilised suppliers (in terms of dollars spent). With the assistance of market leaders such as Sedex, Seagrass then prepared and sent a detailed Modern Slavery Checklist Self-Assessment to each of these 250 suppliers.

Each supplier and service provider were notified of their obligation to participate, with a clear explanation of the process, strongly encouraging participation particularly, given in previous years many of the suppliers assumed that it was not applicable to them as they did not exceed the annual turnover threshold.

A summary of the Checklist appears at the end of this report.

The Modern Slavery Checklist Self-Assessment comprises a detailed questionnaire targeting five key risk areas in procurement:

1. Regulatory Compliance;
2. Internal Policies;
3. Supply Chain Management,
4. Previous Violations; and
5. Worker Treatment.

The Group sent its top 250 suppliers a Modern Slavery Checklist Self-Assessment Questionnaire (SAQ) and received responses from a total of 107 suppliers:

94 suppliers completed the SAQ satisfactorily and the Group was able to risk assess these suppliers; 13 suppliers were excluded from the assessment due to lack of information or inactivity with the business in the last 6 months.

The suppliers were then classified using the Risk Matrix into four categories:

1. Satisfactory,
2. Risk-Low,
3. Risk-Incomplete, and
4. Risk-Assess.

Risk Assessment Results:

Based on the responses received from the SAQ, the results were as follows:

- **Satisfactory**: 64 Suppliers, fully compliant with no areas of concern
- **Risk-Low**: 22 Suppliers, partially compliant with minor concerns
- **Risk-Incomplete**: 5 Suppliers, lacking information due to inapplicable or unanswered sections
- **Risk-Assess**: 3 Suppliers, with significant concerns due to most sections being unanswered

143 out of the 250 suppliers failed to reply to the SAQ despite numerous follow ups.

These suppliers were subsequently notified of the risks involved in non-compliance with the request including but not limited to, Seagrass no longer engaging in transactions with said supplier.

Actions Taken:

With respect to the suppliers with Satisfactory and low-risk results, the Group will continue to engage and conduct regular audits to verify continued adherence to anti-slavery regulations and standards. The Group will also encourage these suppliers to share their best practices and training materials to create a learning ecosystem among the wider Seagrass Group supplier network.

With the Risk-Low suppliers, the Group will engage directly with these suppliers, clearly communicating the areas of concern and the importance of a fully completed SAQ. The Group will offer support to explain and assist the supplier with filling in the missing sections, reaffirming the Group's commitment to a slavery-free supply chain.

With the Risk-Incomplete suppliers, the Group will aim to adapt its assessment process to accommodate for the fact that many of these suppliers are small businesses. The Group will work on creating a simplified risk assessment survey more suitable for these businesses and provide educational resources and training sessions to help them understand the importance of this issue.

The Group recognises that it will need to open an active dialogue with our Risk-Assess suppliers. The concerning potential non-compliance warrants a more rigorous approach. The Group intends to conduct a discussion session to review the submitted SAQ. If neglect or unwillingness is detected, we will communicate the potential consequences, including termination of the supplier contract and legal implications. The Group will also provide assistance and guidance for them to mitigate their risk and improve their practices.

As a result of the above, Seagrass has recognised the diversity within its supply chain, and is working on developing a more tailored approach for the small businesses who makes up a large portion of its supply chain.

The Group's risk assessment has revealed various levels of compliance among our suppliers and has also identified areas for improvement. Moving forward, a focus on dialogue, adaptation of the SAQ and regular monitoring will be vital in ensuring continued compliance and progress in the Group's ongoing efforts against modern slavery.

In addition, given Seagrass now has an adequate framework of responses, it can utilise these to compare future results to ensure continual improvement from suppliers within the supply chain.

Specific Actions Taken for Incomplete or Information-Lacking Responses:

Based on the feedback received from the SAQ, Seagrass has determined that further education and assistance is required to be provided to the suppliers who provided incomplete or inadequate responses.

As a result, Seagrass has shared with a number of its suppliers redacted versions of its policies and procedures listed below:

- Whistleblowing Standard which encourages all its workers, customers and other business partners to report any concerns related to the direct activities, or the supply chains of, the organisation. This includes any circumstances that may give rise to an enhanced risk of slavery or human trafficking. The organisation's whistleblowing procedure is designed to make it easy for workers to make disclosures, without fear of retaliation.
- Disciplinary Action Standard;
- WHS Standard & Procedures;
- Employee Handbook which makes clear to employees the actions and behaviour expected of them when representing the Group. Seagrass strives to maintain the highest standards of employee conduct and ethical behaviour when operating abroad and managing its supply chain.
- HR & Payroll Standard;
- Long Service Leave Standard;
- Social Media Standard;
- Privacy Standard; and
- Company Culture Statement.

The Seagrass Group has established strong, longstanding relationships and clear communication channels with its suppliers to assist them with understanding and implementing the above standards and procedures which Seagrass regards as imperative to help address Modern Slavery Risks.

The Group is committed to ensuring that its suppliers adhere to the highest standards of ethics. Suppliers are required to demonstrate that they provide safe working conditions where necessary, treat workers with dignity and respect, and act ethically and within the law in their use of labour.

Specific Actions Taken for Non-Responsive Suppliers:

Seagrass has communicated to each of the suppliers who failed to provide responses to the SAQ.

The Group explained the importance of responding to the questionnaire and the obligation to comply with the Modern Slavery Act. The suppliers were also notified that Seagrass will not engage with the supplier further until such time as responses are either received or an adequate reason is provided as to why responses were not submitted within the required timeframe. Most of these suppliers have assured Seagrass that they will respond to the questionnaire in the next reporting period and that they are working on improving their Modern Slavery Reporting processes.

Governance:

Seagrass Holdco Pty Ltd ensures that every one of its controlled entities incorporates the policies and procedures that the organisation has in place to help ensure the Group is protected from the risks associated with Modern Slavery and human trafficking. The Seagrass Holdco Executive Management team is required to regularly meet with the senior managers and restaurant managers employed across all the brands to discuss the importance of the Group's policies and procedures, ensuring compliance with same, as well as discussing the risks of Modern Slavery in the hospitality industry to improve awareness amongst the team.

Senior Management and Restaurant Managers are charged with cascading these policies and procedures to their respective teams and ensuring that they are complied with.

Managers are also strongly encouraged to discuss the risks of modern slavery in the hospitality industry with their teams as this goes a long way to improve awareness of the risks .

The related entities of Seagrass and all subsidiaries have the same Board of Directors, and therefore Directors of all related entities have been consulted in preparing this Modern Slavery Statement. Bradley Martin Michael is the Company Secretary of all the Reporting Entities and has taken an active role in ensuring there has been engagement and consultation with each entity.

This statement is made pursuant to the Act and constitutes Seagrass' Modern Slavery statement in respect of 2024 financial year (Reporting Period: 1 July 2023 – 30 June 2024) and is approved by the principal governing body of Seagrass; being its board of directors.

This statement has been approved by the Seagrass Board of Members.

Signed:



Steven Kastoun
Director

MODERN SLAVERY CHECKLIST (SELF-ASSESSMENT) SUMMARY

The Modern Slavery Checklist (Self-Assessment) includes a variety of questions, focusing on five key areas of risk related to modern slavery:

1. **Regulatory Compliance:** Questions in this section assess whether suppliers are legally compliant with modern slavery regulations, including reporting under the Modern Slavery Act (Cth) 2018 (**q.1.6, q.2.1**).
2. **Internal Policies:** This section examines the suppliers' internal policies and procedures to mitigate the risk of modern slavery. This includes policies and processes to identify, investigate, and remedy modern slavery risks within the organisation, provision of training for workers on modern slavery risk, and having a policy or process that prohibits modern slavery, including all forms of forced labour, bonded labour, and human trafficking in its operations and in those of its suppliers (**q.2.5, q.2.7**).
3. **Supply Chain Management:** Questions here focus on the visibility and management of the supply chain, including due diligence on suppliers, requirement for suppliers to conduct due diligence on their suppliers, and actions taken when modern slavery practices are suspected (**q.2.4, q.2.8**).
4. **Previous Violations:** This section involves a review of any past breaches of human rights regulations related to modern slavery and labour standards (**q.2.11**).
5. **Worker Treatment:** The final section focuses on the treatment of workers, encompassing a wide range of topics from identity document retention and wage deductions to mechanisms for workers to raise grievances, ensuring child labour is not being used within the organisation or by the suppliers, compliance with the United Nations ILO Conventions, and providing workers with adequate living conditions where applicable (**q.2.10, q.2.9**).