



SHRIRO &

MONACO

A member of the Shriro Group

MODERN SLAVERY STATEMENT FY23



SHRIRO HOLDINGS LIMITED AND SHRIRO AUSTRALIA PTY LIMITED

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DISCLOSURE NOTE

About this statement and statement approval

Statement Approval

This statement addresses the potential risk of slavery, servitude, forced or compulsory labour, forced marriage and human trafficking in the reporting entities Shriro Holdings Limited (ABN: 29 605 279 329) and its 100% owned subsidiary Shriro Australia Pty Ltd (ABN 28 002 386 129) which form part of the Shriro Consolidated Group (“Shriro”). Shriro is an Australian public company listed on the Australian Securities Exchange (ASX code: SHM).

Shriro’s registered office and principal place of business is Level 7, 67 Albert Avenue, Chatswood, NSW, Australia.

This statement was prepared pursuant to the Australian *Modern Slavery Act (Cth) 2018* (‘the Act’) and made on behalf of Shriro Holdings Limited supply chains and business operations, for the period 1 July 2022 to 30 June 2023 and will be submitted to Australian Border Force prior to 31 December 2023.

Shriro’s Board of Directors, Shriro’s principal governing body, approved this Modern Slavery Statement on 14 December 2023.



ABIGAIL CHEADLE
CHAIR

14 December 2023

ABOUT US

Shriro is a prominent consumer products marketing and distribution group that operates in Australia, New Zealand, and the US. Shriro actively markets and distributes an extensive range of products under both company-owned brands ("owned-brand") and third-party brands. Our diverse product portfolio includes calculators, watches, musical instruments, audio products, kitchen appliances, laundry essentials, bathroom and sanitary products, consumer electronics, car audio, amplifiers, professional DJ equipment, Hi-Fi/speakers, gas heaters, gas barbecues, pizza ovens, charcoal barbecues, electric heaters, and cooling products.

Shriro's commitment to addressing modern slavery is articulated in our Modern Slavery Statement, issued under the Australian Modern Slavery Act. This document outlines the measures we have implemented and plan to undertake to assess and prevent modern slavery risks within our business and supply chains. While our dedication to combating modern slavery is overseen at the board level, our Modern Slavery Statement has been collaboratively prepared in consultation with all areas of the business.

This Modern Slavery Statement covers activities conducted from July 1, 2022, to June 30, 2023.

REPORTING CRITERIA 1 & 2: OUR BRANDS AND STRUCTURE

Consolidated Group Structure

Shriro consists of a listed holding company that owns and oversees three subsidiaries. These entities include:

Parent Company	Name of Subsidiary	Country of incorporation and operation
Shriro Holdings Ltd	Shriro Australia Pty Limited	Australia
	Monaco Corporation Limited	New Zealand
	Shriro USA INC	USA

All subsidiaries within Shriro function as wholesalers of consumer goods. Shriro acknowledges that each subsidiary plays a role in managing potential modern slavery risks.

Shriro stands as a leading consumer products marketing and distribution group with operations spanning Australia, New Zealand, and the US.

Our Governance Framework

Shriro's Board of Directors is dedicated to attaining and showcasing the highest standards of corporate governance. This commitment is deemed essential for Shriro's long-term performance and sustainability, aiming to safeguard and enhance the interests of shareholders and other key stakeholders.

Review of Corporate Governance Practices

The Company and Board consistently assess Shriro's governance practices, staying abreast of developments in market practices, stakeholder expectations, and regulatory requirements. This ongoing review ensures that Shriro's governance framework remains responsive to evolving circumstances and aligns with contemporary standards.

Conformity with the 4th Edition of the ASX Corporate Governance Principles

The Company strives to implement appropriate corporate governance practices. The Company annually assesses its compliance with the ASX Corporate Governance Principles and publicly releases a Corporate Governance Statement and Appendix 4G (Key to Disclosures). These documents can be viewed on Shriro's website:

<https://www.shriro.com.au/investor/announcements>.

Our Operations

Shriro's revenue comes from distributing its own and third party brands:

Owned brands:

- Everdure by Heston Blumenthal
- Omega Altise
- Robinhood
- Omega
- Everdure

Third party brands:

- Casio
- Pioneer
- Grohe
- American Standard

Manufacturing is outsourced to various suppliers, primarily located in Asia. Shriro has employees in mainland China, with a specific focus on product sourcing and quality assurance.

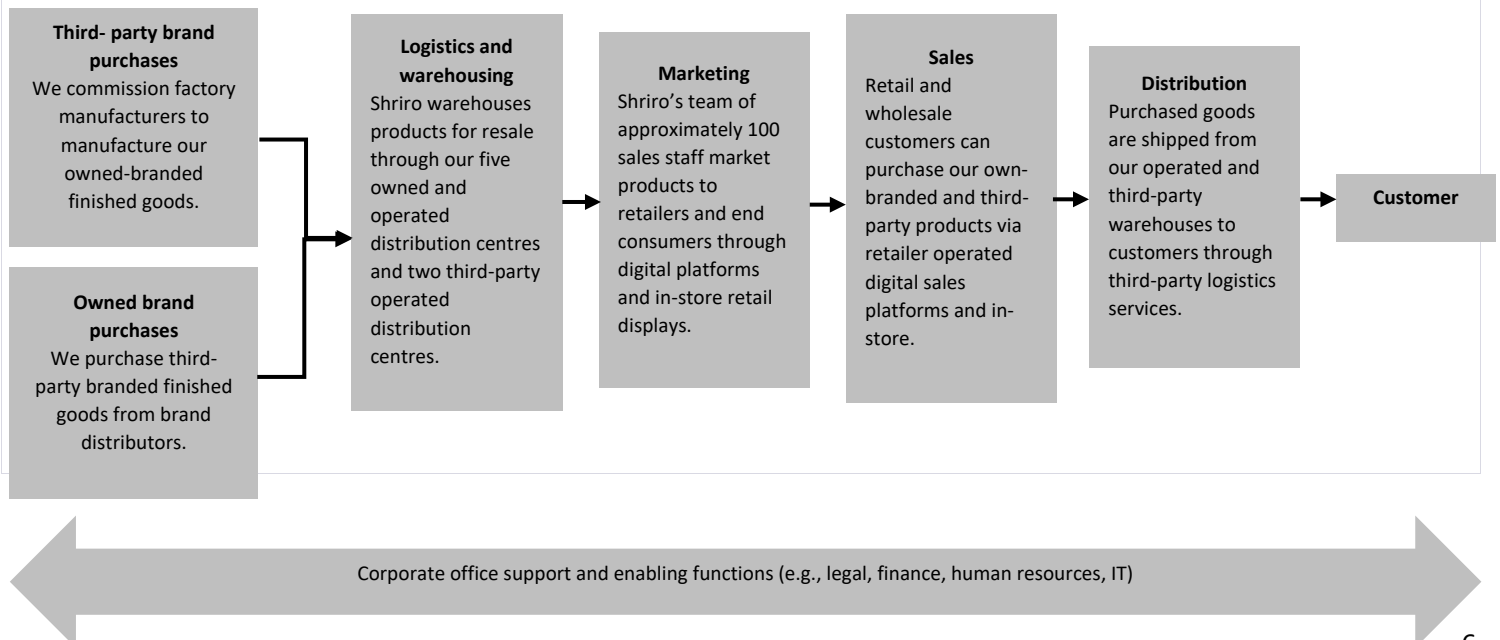
Our People

As of June 2023, our global workforce comprised a total of 155 staff members across operations in Australia, New Zealand, and China. Key points about our employee distribution include:

- Approximately 75% of our employees hold corporate and office-based positions, while the remaining workforce is engaged in operational roles. This includes staff in our five distribution centres and those working in consumer retail stores operated by third parties.
- Over 90% of our employees enjoy permanent positions, with only a small number employed on a casual or fixed-term basis, mainly in administrative and sales-based roles.

Additionally, we have 8 individuals in China who are dedicated to product sourcing, quality control, and procurement.

For a comprehensive overview of our value chain, please refer to the referenced value chain diagram below.



OUR BRANDS



Our Supply Chain

The information provided offers a baseline overview of our expenditure on goods and services during our initial statement. Our business commits to a comprehensive review of goods and service spend every three years, unless significant events such as major acquisitions, divestments, or changes in Tier 1 suppliers occur. The next scheduled review is set to take place in FY24.

Considering the divestment of the Appliances business (Blanco and Omega) and the passage of time since the last review, it is important to note that despite the substantial impact on the business, including internal restructuring, headcount changes, and rebranding, the divestment of Blanco and Omega Appliances was assessed as a low-risk event as we were decreasing our sector and geography risk.

Our baseline spend was approximately \$160 million annually, involving 1,360 suppliers across 19 countries. For this reporting period, our consolidated spend includes approximately \$88.7 million on inventory and around \$20 million on advertising, promotions, freight, and other goods and services. The FY23 expenditures involve approximately 215 suppliers located in Australia, New Zealand, China, Japan, the USA, and Turkey.

Regarding our owned-branded products, they are primarily sourced from selected factories in China, with which we foster long-term, collaborative relationships. The number of factories Shiro uses has notably reduced due to the exit of appliances from the brand offering in April 2023, and we did not source any owned-branded products from additional factories in 2023. Shiro's China in-country quality assurance teams maintain a regular presence at these factories through periodic site visits.

It's important to highlight that the third-party brands for which we hold distribution rights are predominantly large, global companies overseeing the procurement process internally. As we continue to develop and mature our modern slavery program in future reporting periods, we will actively identify and address opportunities to collaborate with our third-party brand partners to align expectations regarding modern slavery risk management.

Table 1: We manage a complex global supply chain and collaborate with a diverse range of suppliers. The primary types of goods and services we procure include:

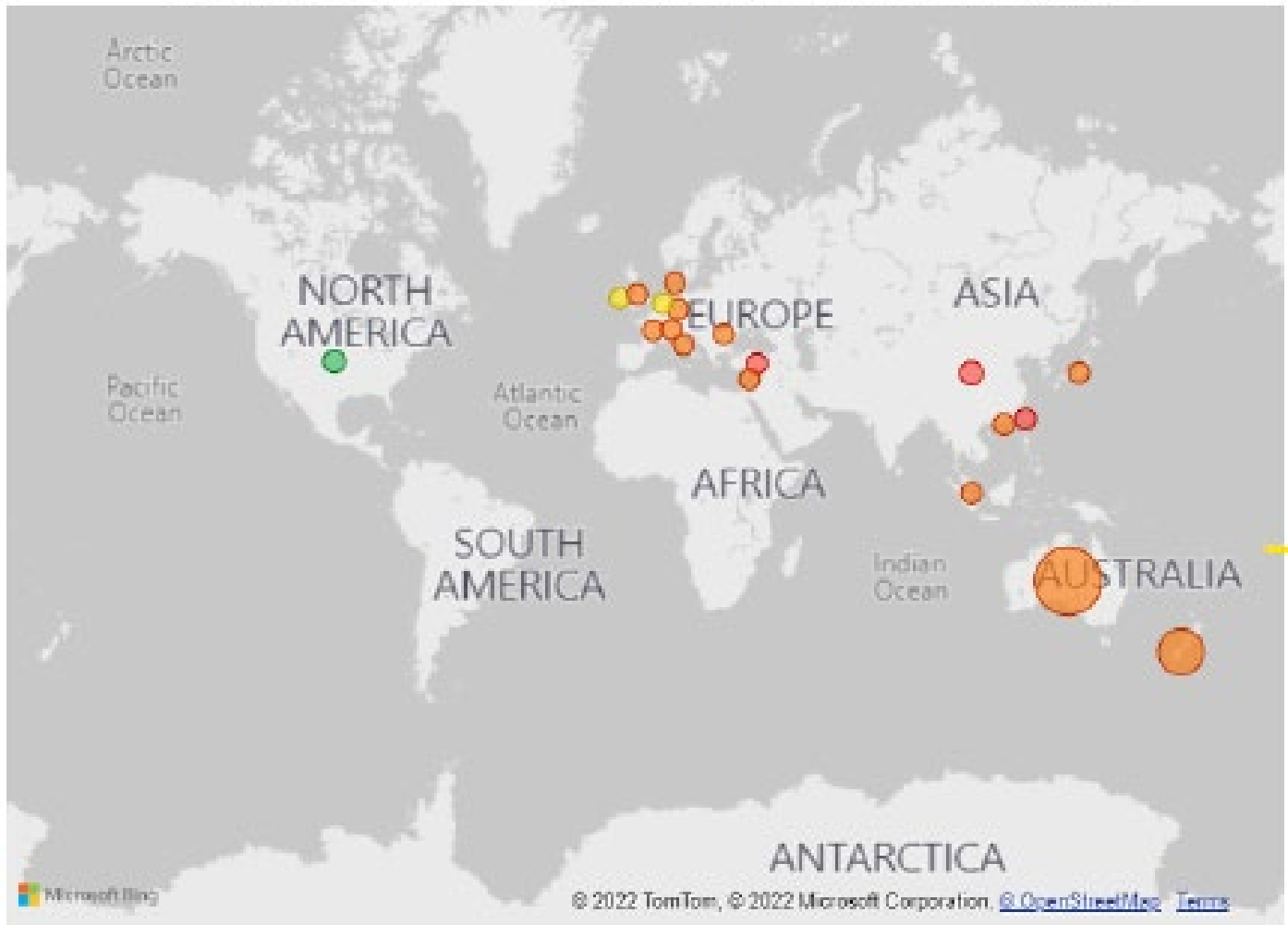
Trade suppliers		Non-trade suppliers
Purchases of owned-branded finished goods for resale direct from manufacturers.	Purchases of third-party branded goods for resale from brand suppliers.	Purchases of goods and services not for resale that are used to support our business operations.
Kitchen, outdoor cooking, heating, and laundry owned-branded products ordered and purchased directly from manufacturing facilities.	Kitchen products, timepieces, musical instruments, and other electrical goods purchased from wholesale distributors of third-party branded products.	Key goods and services not purchased for resale include third party logistics and warehousing, IT hardware and support services, the leasing of our corporate office and property management services, banking, and financial services.

1.	Consumer Products:
	<ul style="list-style-type: none"> • Calculators • Watches • Musical Instruments • Audio Products • Kitchen Appliances • Laundry Essentials • Bathroom and Sanitary Products • Consumer Electronics • Car Audio
2.	Amplification and Entertainment Equipment:
	<ul style="list-style-type: none"> • Amplifiers • Professional DJ Equipment • Hi-Fi/Speakers
3.	Heating and Cooking Products:
	<ul style="list-style-type: none"> • Gas Heaters • Gas Barbecues • Pizza Ovens • Charcoal Barbecues • Electric Heaters
4.	Cooling Products:
	<ul style="list-style-type: none"> • Various Cooling Solutions
5.	Other Miscellaneous Products and Services:
	<ul style="list-style-type: none"> • Advertising • Promotions • Freight Services • Inventory Management

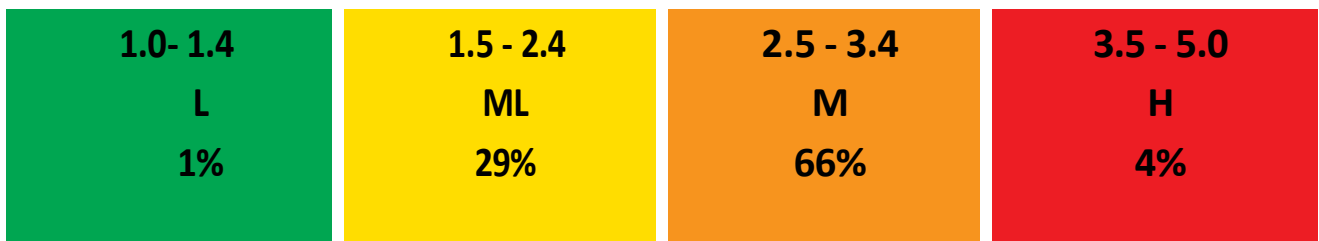
Our engagement with suppliers spans across various countries, reflecting the global nature of our operations. This diversified range of goods and services contributes to the dynamic and comprehensive nature of our supply chain.

Modern Slavery Country Risk Rating FY23

Colour indicates maximum risk level, size represents number of suppliers



MODERN SLAVERY COUNTRY RISK RATING



REPORTING CRITERIA 3: MODERN SLAVERY RISKS IN OPERATIONS AND SUPPLY CHAIN

Risks of Modern Slavery

We acknowledge the pervasive threat of modern slavery to workers globally and recognize our responsibility to identify, address, remediate, and ideally eliminate such risks within our organization. To manage these risks within our employment operations, we depend on robust governance and management systems, predominantly utilizing permanent employment contracts. Additionally, many of our staff benefit from established employment awards in Australia and New Zealand, further mitigating the risk. Notably, Shriro had, at most, two employees based in the United States of America during the period, and they were employed under at-will contracts.

Our supply chain encompasses the provision of:

- **Owned-Brand Products**
- **Third-Party Branded Products** we distribute.
- **Non-Trade Suppliers**

Our current focus has primarily been on the supply chains of our owned-brand products. This concentration stems from the fact that the third-party brands we distribute are owned by multinational companies with public commitments to identifying and addressing modern slavery risks in their supply chains. Moreover, our non-trade spend predominantly involves suppliers in industries and jurisdictions deemed to be lower risk.

Our ethical sourcing approach has evolved based on the identification of specific risks:

Country Risks: We source owned-branded finished goods from factories in China, a country identified as having an elevated risk of modern slavery practices, including forced labour and human trafficking. The prevalence of these practices is influenced by local labour rights protections and the presence of migrant labour.

Sectoral Risks: Third-party research indicates that modern slavery has occurred in the electrical goods manufacturing sector, with the specific nature of these practices influenced by the geographies in which facilities are located. Risks in this sector are associated with the use of migrant and low-skilled labour and the frequent utilization of subcontracting.

Our commitment to addressing these risks is an ongoing process, and we are dedicated to continually improving our practices to ensure the highest ethical standards throughout our supply chain.

Future Modern Slavery Risk Assessment:

In the upcoming reporting period, FY24, we are committed to reassessing modern slavery risks across our operations and supply chain. The findings of this assessment will be diligently reported in our future modern slavery statements.

Overview:

The information provided below establishes a baseline for our spend across goods and services, forming a foundational understanding of potential modern slavery risks within our operations and supply chain.

Operational Risks:

To enhance our approach to addressing modern slavery risks, we engaged external experts to conduct a comprehensive modern slavery gap analysis. This analysis focused on five key categories:

1. Management Systems:

- Evaluation of existing governance and management structures to identify areas for improvement in addressing modern slavery risks.

2. Human Resources and Recruitment:

- Examination of our human resources and recruitment practices to ensure they align with ethical standards, emphasizing the prevention of modern slavery risks.

3. Procurement and Supply Chain:

- Thorough assessment of our procurement processes and supply chain practices to identify and rectify potential vulnerabilities to modern slavery risks.

4. Risk Management:

- Evaluation of our risk management protocols to ensure they are robust and effective in identifying, mitigating, and responding to modern slavery risks.

5. Customers and Stakeholders:

- Examination of our interactions with customers and stakeholders, aiming to enhance awareness, communication, and collaboration regarding modern slavery issues.

This proactive approach underscores our commitment to continuous improvement and transparency in addressing modern slavery risks. We are dedicated to implementing necessary measures based on the insights gained from this reassessment, contributing to a more ethical and responsible business operation.

Summary:

The gap analysis results, indicate that the risk of modern slavery within our direct business operations is considered relatively low.

Despite this, we recognize the imperative of elevating awareness among our staff and enhancing their capabilities, especially those overseeing potentially high-risk areas such as operations, business development, and procurement.

In response to these findings, our commitment involves ensuring that our personnel are equipped with the best available resources and knowledge to identify, assess, and address modern slavery risks in both our operations and supply chains.

Our Modern Slavery Action Plan and next Three-Year Roadmap, to be developed collaboratively by our Sustainability Committee, will serve as a comprehensive framework to identify, manage, and mitigate risks associated with modern slavery.

Key elements of this action plan and roadmap are detailed in Criteria 4, under 'Actions Taken to Assess and Address Risk,' which follows.

This strategic approach underscores our dedication to proactively addressing modern slavery concerns within our organization.

Supply Chain Risks FY23:

Shriro operates within a complex supply chain, engaging a mix of global and local supply partners. Our baseline supply chain risk analysis focused on 215 suppliers providing a diverse array of goods and services for both Australian and overseas markets, with a procurement spend of \$88.7 million.

To assess potential modern slavery risks, our procurement team, aided by external experts, analysed the baseline spend against four internationally recognized risk indices:

1. Industry Sector:

- Evaluation of specific industry sectors considered high risk according to international and national guidance documentation.

2. Commodity/Product:

- Assessment of specific products and commodities deemed high risk by authoritative sources such as the US Department of Labour's 2018 List of Goods Produced by Child and Forced Labour, the Global Slavery Index (GSI), and other international guidance materials.

3. Geographic Location:

- Consideration of the estimated prevalence of modern slavery and governmental responses, drawing from the 2018 Global Slavery Index (GSI) and proprietary risk profiles based on 13 country indexes of corruption, freedom of speech, worker rights, etc. While our primary suppliers are based in Australia, we acknowledge that Tier 2 suppliers, contributing to our products, may operate in high-risk countries.

4. Workforce Profile:

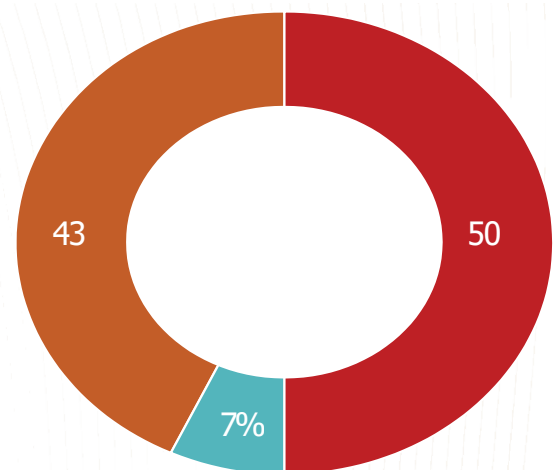
- Analysis of the type of labour involved in the production of our goods and services, particularly focusing on situations involving low-skilled, vulnerable, or migrant labour. Additionally, attention is given to work considered as dirty, dull, degrading, or dangerous.

Spend Risk: The analysis, based on the outlined risk indices, revealed that approximately 50% of our procurement spend (\$78.4 million) poses a high potential risk for modern slavery (refer to Diagram 2). This heightened risk is primarily attributed to our significant expenditure on finished goods within our supply chain.

Diagram 2 Procurement spend by potential modern slavery risk. This information serves as a critical foundation for our ongoing efforts to address and mitigate modern slavery risks within our supply chain, emphasizing the need for strategic interventions, transparency, and collaboration with our supply partners.

Potential high-risk procurement

50% of total procurement spend
30% of suppliers
8 of the 21 spend categories



Category Risk FY23:

In our analysis, we have identified 8 out of our 21 spend categories as potentially high risk for modern slavery (refer to Diagram 3). These high-risk categories encompass:

1. **Finished Goods: Consumer Electronics**
2. **Finished Goods: Household Appliances**
3. **Retail Sales and Distribution**
4. **Building, Construction, and Fabrication Services**
5. **Office and Building Supplies and Services**
6. **Packaging Materials, Containers, and Storage**
7. **Travel, Parking, Events, and Accommodation**
8. **Building and Facility Maintenance**

Key Insights:

- The majority of our high-risk spend, accounting for over 95%, is associated with finished goods. Specifically, consumer electronics and household appliances are prominent contributors to this high-risk category.
- Finished goods are predominantly sourced from suppliers located in countries with higher modern slavery risks, including mainland China, Japan, and Turkey.
- Additional categories with potentially high-risk spend include corporate events, office supplies, clothing, and personal protective equipment. However, due to the relatively low total spend across these categories, our risk management efforts will not be prioritized in the short to medium term.

Diagram 3: Categories Potentially High Risk for Modern Slavery

These findings guide our risk management strategy, directing our focus towards strategic interventions, enhanced due diligence, and collaboration with suppliers, particularly in the high-risk categories identified. This targeted approach aligns with our commitment to addressing modern slavery risks effectively within our procurement and supply chain practices.

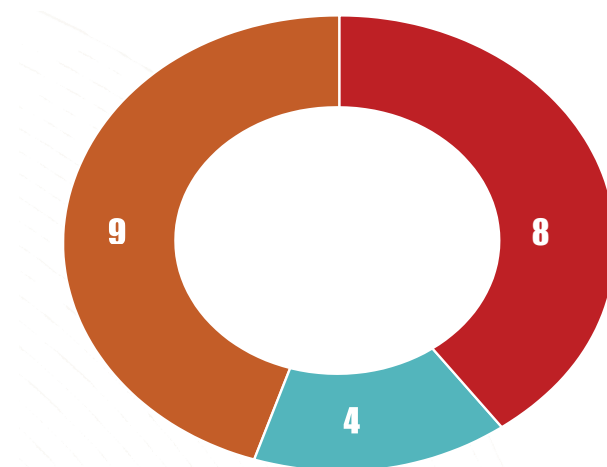


Diagram 3: Spend category by risk.

Supplier Risk:

In our analysis of 215 suppliers, we have identified that 30% or 63 of them are considered potentially high risk for modern slavery (refer to Diagram 4). Notably, over 80% of the high-risk spend is associated with 25 major suppliers, all of whom provide finished goods in our household product lines. These suppliers, mostly located overseas, will be the focal point of our supplier risk management program moving forward.

Key Insights:

- **High-Risk Suppliers:**

Approximately 80% of the high-risk spend is concentrated among 25 major suppliers, emphasizing the significance of these suppliers in our supply chain, particularly in the household product lines.

- **Overseas Suppliers:**

The majority of these high-spend suppliers are located overseas, highlighting the global nature of our supply chain.

- **Risk Classification Clarification:**

It's crucial to note that classifying suppliers as potentially high risk doesn't imply that these companies are knowingly involved in modern slavery. Instead, they operate in high-risk industry sectors, geographic areas, or utilize commodities known for a higher risk of worker exploitation. Vulnerable people may also be part of their workforce, making them a higher priority for risk management efforts.

Risk Management Approach:

- **Engagement and Understanding:** Our modern slavery risk management program will primarily focus on engaging these key suppliers. We aim to develop a deeper understanding of potential risks in their supply chains, including Tier 2 and Tier 3 suppliers, and assess the systems and processes they have in place to manage modern slavery risk. This targeted approach aligns with our commitment to proactive risk management and underscores the importance of collaboration with key suppliers to address and mitigate modern slavery risks within our supply chain effectively.

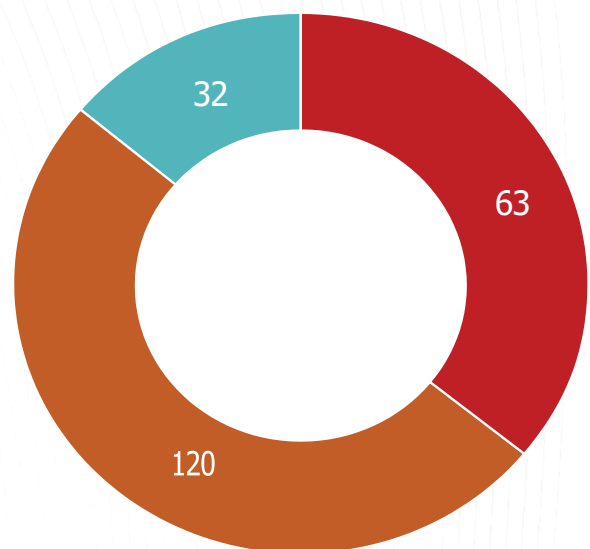


Diagram 4: Potential risk by number of suppliers.

Brand Risk:

Our initial risk assessment has unveiled potential modern slavery risks associated with various brands within our household product ranges. This analysis has empowered us to prioritize our modern slavery risk management actions, concentrating on potentially high-risk brands and their associated suppliers.

Given the diverse regions from which we procure, we acknowledge the elevated likelihood of modern slavery risk in our supply chain. As an initial step, our supplier due diligence efforts will be focused on our highest-risk international suppliers. A review of the Global Slavery Index and other publicly available information has indicated that the following forms of modern slavery and worker exploitation may be present in our supply chain:

1. **Forced Labor:**

- Risk associated with suppliers utilizing forced labour, particularly in regions with documented prevalence.

2. **Child Labor:**

- Risk related to the use of child labour in certain areas of our supply chain, as indicated by the Global Slavery Index and other available sources.

3. **Worker Exploitation:**

- Broader risk encompassing various forms of worker exploitation, including poor working conditions, lack of fair wages, and limited workers' rights.

Risk Management Approach: Our commitment to addressing brand-related modern slavery risks involves a proactive and targeted approach. By focusing our initial supplier due diligence efforts on high-risk international suppliers, we aim to not only identify and assess potential risks but also implement necessary measures to mitigate and prevent modern slavery within our supply chain.

This approach aligns with our dedication to transparency, ethical sourcing, and responsible business practices, ensuring that our products are sourced and manufactured under conditions that uphold the rights and well-being of workers across our supply chain.

Example: Procurement from China and Global Slavery Index (GSI):

As an illustrative example, we procure finished goods in our household consumables range from China, which is ranked 111th out of 167 on the Global Slavery Index (GSI).

Key Points from GSI:

- **Population in Modern Slavery:** The GSI indicates that less than 1% of the population of China, which amounts to 3.9 million people, is living in modern slavery.
- **Vulnerability Index:** The vulnerability of people to modern slavery in China is measured at 50.65 out of 100. This metric reflects the factors that make individuals more susceptible to exploitation or forced labour.
- **Economic Context:** China, as the second-largest economy globally, has experienced rapid economic development, largely attributed to a domestic economy specializing in the production of labour-intensive, inexpensive goods for export.
- **Forced Labor Areas:** Forced labour is prevalent in the production of labour-intensive goods, particularly in the manufacturing and construction sectors, as well as in more informal industries.
- **State Detention Facilities:** China's network of state detention facilities that employ forced labour is widely reported, contributing to concerns about modern slavery practices.
- **Government Response Rating:** The government's response rating to managing modern slavery, as per the GSI, is classified as CC. This rating reflects the effectiveness of the government's measures in addressing modern slavery issues.

Implications and Considerations: This information underscores the complexity of modern slavery risks associated with our supply chain, especially in regions like China. While the prevalence of modern slavery in terms of population percentage may be low, the vulnerability index, economic context, and specific sectors prone to forced labour highlight the nuanced challenges within the supply chain.

As part of our commitment to ethical sourcing and responsible business practices, this example emphasizes the need for focused due diligence, engagement with suppliers, and collaborative efforts to address and mitigate modern slavery risks effectively within our procurement processes.

Key Operational Policies:

A robust policy framework serves as the foundation for guiding the conduct of both our organization and counterparties. Our policies not only articulate our values but also establish clear expectations regarding employee treatment and ethical behaviour.

Additionally, they outline mechanisms for individuals to raise concerns about conduct within Shriro.

1. Employee Treatment and Ethical Behaviour:

- Policies within our framework explicitly outline our values and expectations concerning how employees should be treated and the ethical standards that should be maintained.

2. Conduct Concerns Reporting:

- Our policies detail the procedures and channels through which individuals can raise concerns about conduct within Shriro. This includes mechanisms for reporting any potential instances of modern slavery or unethical practices.

As part of our commitment to responsible business practices, these policies are integral to shaping the behaviours of our counterparties, ensuring alignment with ethical standards and the prevention of modern slavery risks. Regular updates and adjustments to these policies are anticipated as we continually enhance our approach to modern slavery risk management.

1. Code of Conduct:

- **Purpose:**

Our Code of Conduct serves as a comprehensive guide outlining the expected conduct for all individuals associated with Shriro. This includes employees, contractors, associates, and those acting on behalf of Shriro. The policy emphasizes the highest level of integrity and ethical standards in all business practices. It also highlights the importance of awareness and adherence to all relevant legislation. The Code of Conduct provides clear guidance on the steps employees should take if they believe any part of the code is being breached.

2. Whistle-blower Policy:

- **Purpose:**

The Whistle-blower Policy establishes a framework to empower all workers, officers, and their families throughout Shriro to identify and report genuine concerns about illegal conduct. Recognizing the significance of effective grievance mechanisms, the policy extends to our suppliers and their workers, ensuring a comprehensive approach to reporting and addressing concerns.

3. Anti-bribery and Corruption Policy:

- **Purpose:**

Our Anti-bribery and Corruption Policy articulates Shriro's strict prohibitions on bribery, fraud, and corruption. It sets clear expectations regarding the communication and reporting of suspected breaches of conduct standards. This policy underscores our commitment to maintaining the highest standards of business ethics and integrity, fostering a culture of transparency and accountability.

These operational policies collectively establish a robust framework for guiding behaviour, ensuring ethical business practices, and providing mechanisms for reporting and addressing concerns. As part of our commitment to preventing modern slavery, these policies play a crucial role in creating a culture that values integrity, transparency, and responsible conduct across Shriro and its extended supply chain.

These policies are available on Shriro's website www.shriro.com.au/investor/corporate_governance

Employment Controls:

To mitigate the risk of modern slavery in our operations, we employ a combination of structural and contractual controls. Our policies serve as a foundation, providing clear and detailed guidance on appropriate business conduct, ethical decision-making, and the fair treatment of our employees.

1. Employee Contracts:

- In Australia, eligible employees are engaged under employment awards such as the Clerks Award and the Wholesale and Storage Award, or through Enterprise Bargaining Agreements. These arrangements ensure that employees are provided with fair wages and work conditions in alignment with local labour laws.

2. Global Employment Standards:

- Employees based outside of Australia are similarly employed under conditions that adhere to local labour laws. This global approach ensures consistency in fair employment practices across all locations.

Supply Chain Policies:

In our owned-brand supply chain, primarily comprising factory suppliers, we have implemented specific policies to promote positive conduct and drive social and environmental advancements.

1. Ethical Sourcing Code of Conduct and Compliance Policy:

- Our standard terms and conditions for factory suppliers include an Ethical Sourcing Code of Conduct and Compliance Policy. This policy outlines our expectations for conduct and encourages continuous improvement toward social and environmental outcomes within our supply chain.

2. Development and Compliance Standards:

- Developed in accordance with the United Nations Guiding Principles on Business and Human Rights, the Ethical Sourcing Code of Conduct and Compliance Policy incorporates principles from the Ethical Trading Initiative (ETI) Base Code and International Labour Organization (ILO) conventions. It sets key protections for labour rights, ensuring freedom from forced labour, bonded labour, or involuntary prison labour. It also mandates safe and hygienic working conditions, wages meeting legal standards, and compliance with local working hour regulations.

These employment and supply chain controls, guided by international standards and ethical principles, underscore our commitment to fostering fair and ethical practices across our global operations and supply chain. They provide a framework for assessing, monitoring, and reporting on working conditions within our owned-brand supply chain, promoting a culture of responsibility and accountability.

Supplier Due Diligence Process:

Our supplier due diligence process is designed to create a framework for assessing, monitoring, and reporting on working conditions within the factories of our owned-brand suppliers. This process aligns with the United Nations Guiding Principles Reporting Framework and reflects our commitment to ethical and responsible sourcing practices. While currently in place, we plan to enhance the process by establishing a monitoring and auditing program to ensure ongoing adherence to our Ethical Sourcing Code of Conduct, Compliance Policy, and Modern Slavery requirements in future periods. The key elements of our current process include:

1. Assessment Framework:

- Our due diligence process incorporates a systematic framework for assessing working conditions in supplier factories. This framework is structured in accordance with the United Nations Guiding Principles, ensuring a comprehensive and globally recognized approach.

2. Ethical Sourcing Code of Conduct:

- Suppliers are required to adhere to our Ethical Sourcing Code of Conduct, which outlines our expectations regarding labour rights, freedom from forced labour, safe working conditions, fair wages, and compliance with working hour regulations. This code serves as a foundation for our due diligence efforts.

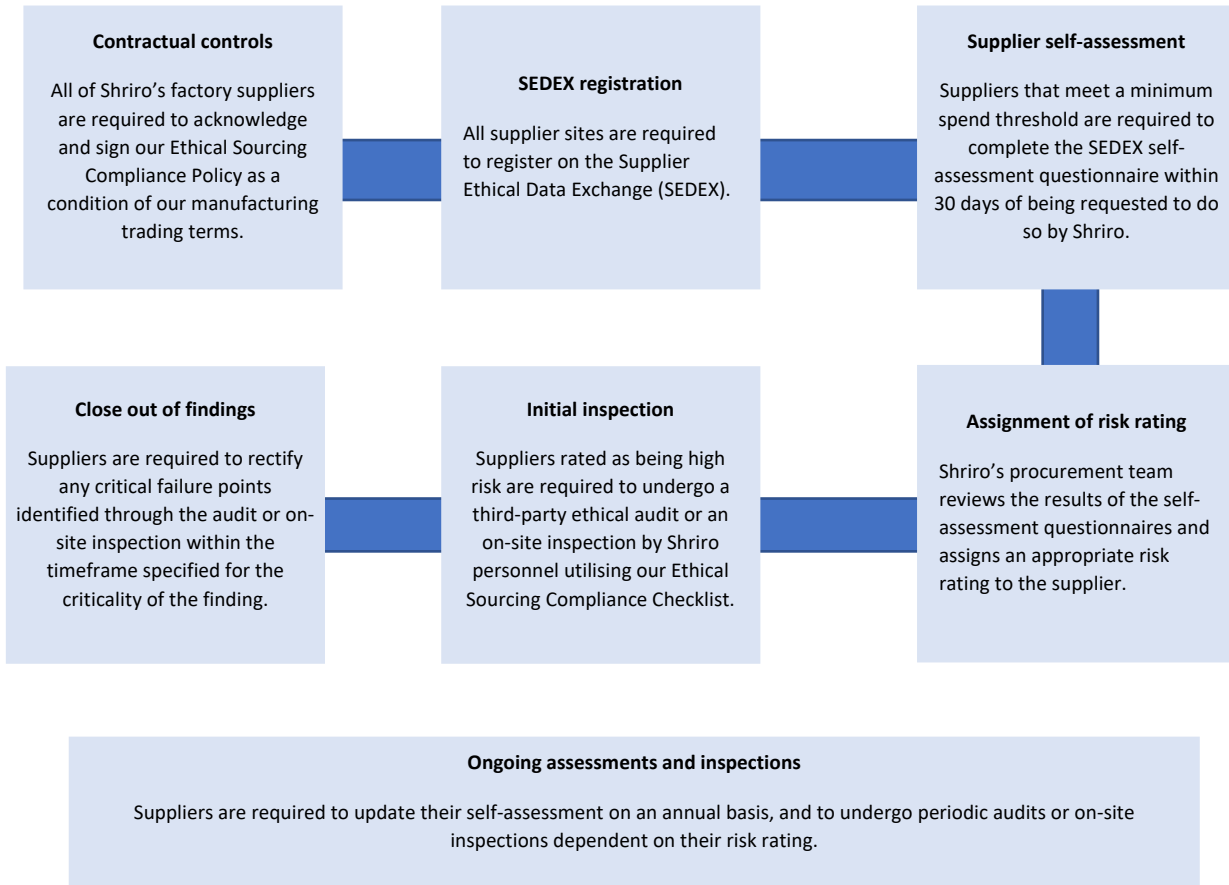
3. Compliance Policy:

- The Compliance Policy sets the standards for continuous improvement and adherence to social and environmental outcomes within our supply chain. This policy is an integral part of our supplier engagement, and its implementation is monitored as part of our due diligence.

4. Monitoring and Auditing Program (Future Initiative):

- In our future periods, we plan to establish a monitoring and auditing program. This program will ensure ongoing compliance with our Ethical Sourcing Code of Conduct, Compliance Policy, and Modern Slavery requirements. It reflects our commitment to proactive and regular assessments of working conditions in our supplier factories.

This comprehensive approach to supplier due diligence reinforces our dedication to responsible sourcing and ethical business practices. By aligning with international standards and committing to ongoing monitoring, we aim to create a transparent and accountable supply chain that prioritizes the well-being and fair treatment of workers across our owned-brand factories.



Review and Expansion of Supplier Due Diligence Process:

Our current due diligence process has been tailored specifically for our factory suppliers, ensuring a focused approach to assessing and monitoring working conditions. However, recognizing the need for ongoing improvement and a broader understanding of modern slavery risks across our entire operations and supply chain, we plan to undertake the following steps:

1. Comprehensive Modern Slavery Risk Assessment:

- We intend to conduct a thorough review of modern slavery risks across our broader operations and supply chain. This assessment will provide a holistic view, identifying potential areas of concern and ensuring a comprehensive understanding of modern slavery risks beyond our factory suppliers.

2. Evaluation of Supplier Due Diligence Approach:

- Following the completion of the modern slavery risk assessment, we will review our existing supplier due diligence approach. This evaluation will encompass an examination of internal capabilities, processes, and the effectiveness of our current framework in addressing modern slavery risks.

3. Refresh and Expansion of Due Diligence Process:

- Based on the findings of the risk assessment and evaluation, we will undertake necessary refreshments to our due diligence process. This includes ensuring compliance, fitness for purpose for our factory suppliers, and expanding the process to cover other areas of the supply chain where relevant modern slavery risks are identified.

4. Continuous Improvement:

- Our commitment to addressing modern slavery risks is dynamic. We will embed a culture of continuous improvement in our approach to supplier due diligence. Regular assessments, updates, and enhancements will be integral to adapting to evolving challenges and maintaining the effectiveness of our modern slavery risk mitigation efforts.

By undergoing this comprehensive review and expansion, we aim to strengthen our capabilities, align our processes with emerging challenges, and extend our commitment to ethical sourcing practices throughout the entirety of our operations and supply chain. This proactive approach underscores our dedication to responsible business conduct and the prevention of modern slavery across all aspects of our business.

REPORTING CRITERIA 4: ACTIONS TAKEN TO ASSESS AND ADDRESS RISK

Our Commitment to Address Modern Slavery:

We are steadfast in our commitment to conducting business in a manner that prevents and addresses modern slavery in our operations and supply chain. This commitment extends to workers in our extended supply chain and other individuals impacted by our business activities. Acknowledging the complexity of addressing modern slavery risks, our response is an evolving process that aligns with ongoing improvements in the capabilities of our people, business systems, and processes.

Achievements in this Reporting Period:

1. Appointment of a Sustainability Manager:

- In response to the need for effective leadership in driving progress on sustainability, including modern slavery, a member of the Senior Leadership Team has assumed the responsibilities of the Sustainability Manager and will be appointed in Q1 2024. The manager has developed a comprehensive Sustainability Strategy, incorporating a commitment to a Sustainable Supply Chain with foundational governance requirements addressing modern slavery risks.

2. Due Diligence for Potential New Supplier:

- During FY23, the business-initiated efforts to identify potential new Tier 1 suppliers for certain household products. As part of due diligence, a Chinese company was identified as a potential new supplier. A review of 3rd party verification, including a 2023 Business Social Compliance Initiative (BSCI) audit report, confirmed an overall C rating for the firm, with considerations for work practices, including modern slavery concerns. BSCI full audits are valid for 2 years, unless follow up audits are required for C, D or E ratings. The follow-up audit shall be conducted on the date defined in the Remediation Plan but it can only take place up to a maximum of 12 months after the last audit.

3. Sustainable Supply Chain:

- A Suppliers Code of Conduct that explicitly outlines our requirements regarding modern slavery, in addition to addressing Human Rights, Environmental Protection, and Good Governance. Final approval and distribution to our contract manufacturers will be detailed in the FY24 Modern Slavery Statement.
- Updated Whistleblower Policy to specify procedures in the instance of a modern slavery related complaint.

4. Progress on Compliance with Suppliers:

- The China team has actively engaged with the 20 suppliers within the system during FY23, securing written commitments and actions regarding modern slavery in their activities. While not all suppliers provided goods during this period, efforts are underway to replace entities that did not respond to our Modern Slavery form. Six of the 20 suppliers have undergone external 3rd party ethical audits, such as SEDEX.
- Implement Continuous Improvement Actions (CIA) protocols for high risk suppliers and active management

These achievements represent tangible steps in our ongoing journey to ensure ethical and responsible business practices throughout our operations and supply chain. Our commitment to transparency and continuous improvement remains unwavering.

Modern Slavery Roadmap - FY24 Actions:

Building on last year's efforts and acknowledging the need for progress in foundational aspects of addressing modern slavery, the Senior Leadership Team member assuming the Sustainability Manager role has outlined a set of actions for FY23. These actions are designed to lay the groundwork for further improvements and will be followed by FY24 actions driven by the findings of the spend review across goods and services.

1. **Review of Shriro's Spend Across Goods and Services:**
 - Schedule a comprehensive review of Shriro's spend across goods and services in FY24 as part of the three-year review process. This review will contribute valuable insights to inform future actions and strategies.
2. **Policy Updates:**
 - Review and complete appropriate updates to all corporate-level policies, including but not limited to the Code of Conduct, Whistleblower Policy, and Ethical Sourcing Policy. This ensures that the policies are aligned with current standards and expectations.
3. **Progress Metrics in Business Performance Review:**
 - Incorporate progress metrics into Sustainability bi-monthly Business Performance Review sessions. This includes assessing advancements in reviewing and amending corporate policies in consultation with the business and General Counsel.
4. **Supplier Code of Conduct Acceptance:**
 - Ensure the acceptance of the Supplier Code of Conduct by required contract manufacturers. This step reinforces the commitment to ethical standards and responsible business conduct throughout the supply chain.
5. **Data Capture and Reporting:**
 - Establish ownership for data capture within relevant internal resources such as procurement, sourcing, and brand managers. This ensures accurate and comprehensive reporting on modern slavery-related metrics.
6. **Board Risk and Compliance Committee Reporting:**
 - A management level Sustainability Committee be established from 1 January 2024 to include the Head of HR, Head of Supply Chain, Head of R&D, Technical Services and Customer Services, Finance Management Accountant, Monaco Operations Manager and General Counsel.
This committee will be reporting to the Board. This enhances visibility and oversight at the board level, reinforcing the commitment to addressing modern slavery risks.
7. **Modern Slavery eLearning:**
 - Continue modern slavery eLearning for all required employees within the supply chain. This ongoing education ensures that employees are informed and equipped to contribute to modern slavery risk mitigation efforts.
8. **Outsourced Training for Sustainability Committee:**
 - Provide outsourced training on modern slavery reporting requirements for all Sustainability Committee members. Integrating this training into Learning and Development (L&D) plans for FY24 enhances the committee's capabilities in addressing modern slavery risks.

These actions represent a strategic and concerted effort to advance Shriro's commitment to addressing modern slavery. By integrating progress metrics, education, and policy updates, Shriro aims to foster a culture of responsibility and transparency throughout its operations and supply chain.

Reporting Criteria 5: Effectiveness Assessment - Reporting and Accountability:

In tracking our progress in managing modern slavery risks, we employ a robust review process to ensure tangible advancements toward our goals. This process involves key review points:

1. Annual Review - Board:

- Our annual Modern Slavery Statement undergoes approval and sign-off by the Board, meeting mandatory reporting requirements. This ensures that our commitment to addressing modern slavery risks is overseen and endorsed at the highest governance level.

2. Biannual Review – Audit, Risk and Compliance Committee:

- The Audit, Risk and Compliance Committee regularly reviews the progress, challenges, and achievements of our Action Plan. This biannual review is integrated into the committee's compliance update, ensuring ongoing scrutiny and accountability.

3. Sustainability Committee:

- The Sustainability Committee, functioning as a sub-audit committee, convenes quarterly. This aligns with biannual reporting to the Audit and Risk Management and Compliance Committee and annual reporting to the Board. The committee's role is to provide additional oversight and guidance specific to sustainability initiatives.

Reporting Criteria 6: Process of Consultation with Entities Owned or Controlled:

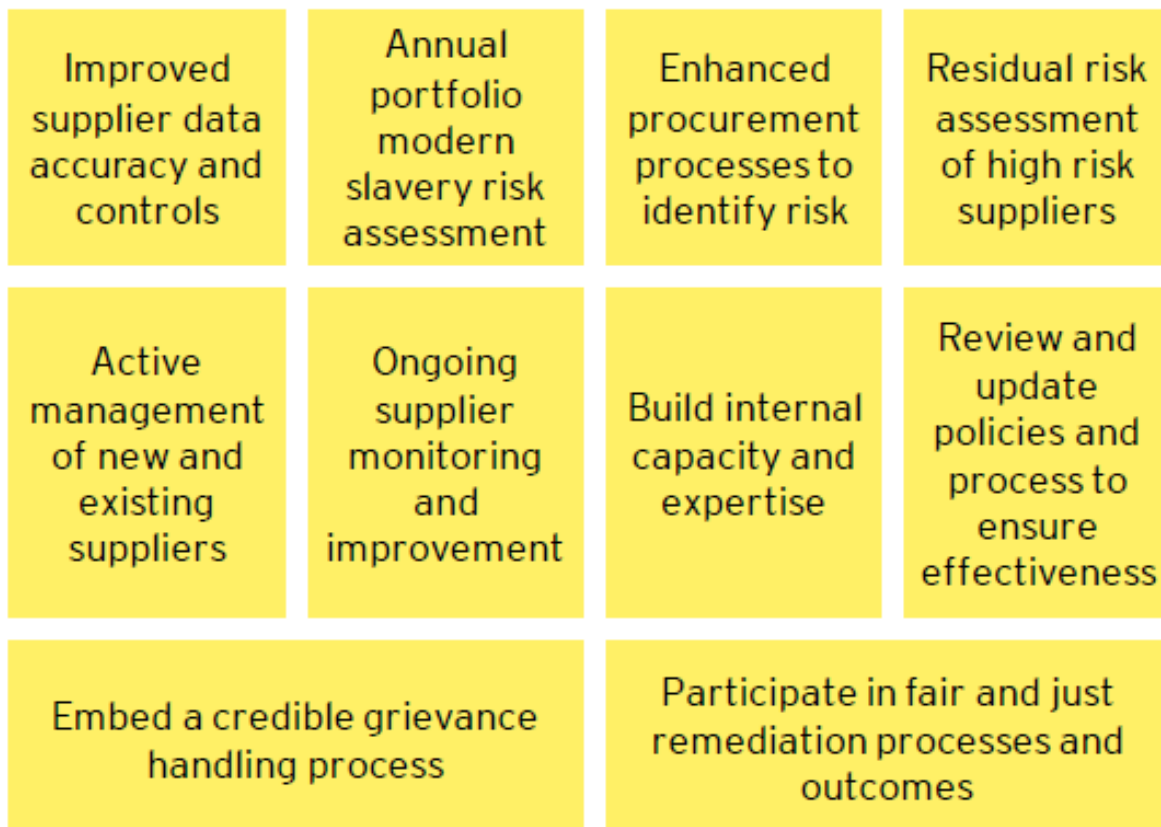
Given Shriro's controlling interest in all entities covered in this report, a consultative approach was adopted throughout the development, deployment, and ongoing review of initiatives. Relevant members of these entities actively participated in shaping and implementing the strategies to address modern slavery risks.

Reporting Criteria 7: Looking to the Future:

FY24 recommendations to enhance the current due diligence process to support the establishment of a risk-based approach to monitoring the ongoing supplier performance and management of modern slavery risks. These have been categorised to support the following key areas:

1. Identification of risks
2. Mitigation of risks, and
3. Remediation of harm.

Key elements of a strategic approach to supplier due diligence



There is no additional relevant information during this reporting period.

Appendix 1 – Mandatory Reporting Criteria

The below table identifies the location of material aligned to the mandatory reporting criteria in the Act within this statement:

Mandatory Reporting Criterion	Section	Page Number
Identify the reporting entity	About this statement	3
Describe the structure, operations, and supply chain of the reporting entity.	Shiro's structure, operations and supply chain as at 30 June 2022	5 - 9
Describe the risks of modern slavery across the operations and supply chain of the reporting entity.	Risks of modern slavery	11 - 18
Describe the actions taken by the reporting entity to assess and address these risks, including due diligence and remediation processes.	Managing modern slavery risks	19 - 26
Describe how the reporting entity assesses the effectiveness of its actions.	Assessing the effectiveness of our actions	26
Describe the process of consultation with any entities that the reporting entity owns or controls.	Shiro's operations, structure, and supply chain	4
Provide any other information that the reporting entity considers relevant.	Looking to the future	27