

CAPRICE AUSTRALIA PTY LTD
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Caprice Australia Pty Ltd

Modern Slavery Statement FY2025





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Modern Slavery Statement FY2025

1. Introduction

Caprice Australia Pty Ltd ('Caprice') is opposed to slavery in all its forms, including: human trafficking; slavery; servitude; forced labour; deceptive recruiting for labour or services; debt bondage; forced marriage; and all forms of child labour. This statement describes the steps taken by Caprice during the financial year ending 30 June 2025 (FY2025) to seek to assess and address the risk of modern slavery occurring in our operations and supply chains.

Our statement has been prepared in accordance with the reporting requirements of Australia's Modern Slavery Act 2018 (Cth) and associated guidelines.

In this Modern Slavery Statement, a reference to:

- 'Caprice', 'we', 'us' or 'our' is a reference to Caprice Australia Pty Ltd.

2. Our Structure, Operations and Supply Chains

Established in 1959 as a family owned business, Caprice has successfully grown into a multi-category supplier of generic, licensed and branded product. This diverse product range includes bedding, bedding accessories, towels, bath accessories, window furnishings, fabrics, arts and crafts, outerwear, sleepwear, underwear and socks, footwear, bags and luggage, stationary, rainwear and fashion accessories, pet products, home wear and storage.

Caprice's head office is located in Melbourne at 360 City Road, Southbank, VIC 3006, while our sourcing office is located in Wuxi Jiangsu, China. We have a total of 272 employees, with 112 located in Australia and 160 located in China.

Our customers are primarily large Australian and New Zealand retailers, which include among others, Kmart Australia & NZ, Target Australia, Big W, Bunnings, Best and Less and Spotlight. Some of Caprice's key licensed brand partners, include Disney, Marvel, Star Wars, Hasbro, Mattel, BBC (Bluey), Universal, Nintendo, Microsoft, Sega, Paramount, Sanrio and Warner Brothers. Caprice is also the owner of two iconic Australian brands, Mambo and Dri-Glo. Merchandise carrying these brands is sold through our retail customers and direct to consumers.

The goods we supply to our retail customers, or direct to consumers, are produced in third party supplier factories, which are not owned or operated by Caprice. As at 30 June 2025, Caprice had 182 registered supplier factories contracted to produce goods for or on behalf of Caprice. The majority of these factories are located in China, with a small number located in India, Pakistan, Vietnam and Bangladesh.

Caprice has a wholly owned subsidiary merchandise sourcing company, Glowstar (located in China). As at 30 June 2025, Glowstar had 298 registered third party factories located in Australia, China, India, Egypt, Turkey, South Korea, Pakistan and Vietnam, which produce and supply directly to our retail customers a wide range of merchandise.



Caprice has an interest in a joint venture, Caprice New Zealand, which operates within New Zealand in a similar market to Caprice Australia.

3. Modern Slavery Risks

Caprice assesses its modern slavery risks on at least an annual basis with reference to a number of modern slavery risk indices, including the Walk Free Foundation [Global Slavery Index \(2023\)](#), and information supplied to us through our extensive stakeholder networks (e.g. customers, suppliers, licensors, industry associations and governments).

To assess our modern slavery risks, Caprice uses a methodology derived from the United Nations (UN) Guiding Principles on Business and Human Rights. Risks are identified through the lens of a Continuum of Involvement, from ‘causing’, ‘contributing’ and ‘directly linked to’, while the severity of risks are assessed by their scale, scope and irremediable character.

3.1 Operations

In FY2025, Caprice assessed the risk of modern slavery in our direct business operations to be low. Caprice has a robust system of HR policies and procedures that ensure compliance with legally mandated employment entitlements and awards across the entire Caprice workforce. The policies apply to the Caprice operated offices and facilities in Australia and China.

3.2 Supply Chains

Caprice recognises that we can be exposed to the risk of modern slavery via the products we source and produce through our third party supplier factories. The Global Slavery Index has identified a [list](#) of 14 imported products common in G20 countries, such as Australia, which present a risk of forced labour. Caprice potentially has exposure to four products on the list as set out in the table below.

Global Slavery Index: Products at Risk of Forced Labour	Examples of Potential Caprice Supply Chain Product Exposure
Garments	Outerwear, innerwear, sleepwear, footwear, and accessories
Textiles	Bedding, towels, fabrics, soft home furnishings, and window furnishings
Cotton	Raw material used in manufacturing of apparel, footwear, bags, bedding, towels, fabrics, and window furnishings
Timber	Timber based products: storage, stationary, window furnishings, and apparel (viscose)

4. Risk Mitigation Actions

The need to manage the risk of modern slavery in our supply chain is a key consideration behind the design of the Caprice Ethical Sourcing (ES) Program. The ES Program is applicable to all Caprice supplier factories (including Caprice and Glowstar factories). Key elements of the program include:



- A comprehensive Ethical Sourcing Code, which includes the minimum standards of conduct that all factories must meet as a condition of doing business with Caprice. The ES Code contains specific wording prohibiting conduct associated with modern slavery practices, including child labour, forced labour, human trafficking, non-compliance with local wage laws, forced overtime and unauthorised subcontracting;
- An Ethical Sourcing Transparency Policy setting out requirements under which our suppliers, when requested, must disclose information to us about their supply chain. This includes information about any tier in the supply chain, including finished goods manufacturers, processing facilities, component manufacturers, up to suppliers of raw materials;
- A robust audit and monitoring program that requires all registered Caprice supplier factories (finished goods manufacturers) to have an approved third party ethical sourcing audit prior to onboarding, with a minimum audit renewal cycle of every two years. In FY2025, 442 Caprice supplier factories renewed their ethical sourcing audits and were subject to a combined total of 444 audits;
- Additional random unannounced audits of our supplier factories against the requirements of our ES Code;
- A whistleblower line (compliance@caprice.com.au) through which factory workers can report actual or suspected violations of our ES Code to Caprice;
- Corrective action processes to remediate non-compliances with our ethical sourcing standards;
- A critical non-compliance process to guide our response to critical non-compliances with our standards (including withdrawal from factory);
- All Caprice supplier factories are required to register their factory in our online production management and compliance system, 3clicks, through which we manage the ethical sourcing onboarding and audit processes; and
- A Standard Operating Procedure documenting the ES Program’s governance structure, program objectives, internal roles and responsibilities, operational aspects of the audit program, and processes to assess program effectiveness, including through half yearly reporting and an annual review process.

Caprice Ethical Sourcing Audit Program FY2025	
Number of factories in program	454
% of registered (Caprice and Glowstar) factories in program	100%
Number of factories that were subject to ethical sourcing audits in financial year	442
Number of ethical sourcing audits conducted in financial year	444

Notes:

- Total number of factories in our ES program includes all registered factories for Caprice (182) and Glowstar (298), less 26 duplicated factories shared between Caprice and Glowstar.
- All factories are required to renew their audits at least every two years.
- Some factories can be audited more than once in a financial year due to their audit grading.

Further information on the Caprice ES Program is available [here](#).

In FY2025, Caprice took a number of actions to strengthen our ES Program, including:

- **Ethical Sourcing Compliance Team:** In FY2025, Caprice expanded its compliance team responsible for oversight of the Caprice ethical sourcing program. The team now includes 6 members based in our China office. This expansion strengthened the company’s capacity to oversee supplier engagement and improve traceability.



- **Factory training and site visits:** The Caprice ethical sourcing team, located in Wuxi, China, continued its focus on factory site visits and training as a means of reinforcing Caprice ethical sourcing and modern slavery standards in our supplier factories. Over the course of FY2025, a total of 173 Caprice supplier factories received a site visit and/or training from the Caprice ethical sourcing team. This is in addition to the regular ethical sourcing audit cycle outlined above.
- **Cotton supply chain traceability:** Caprice continued its annual Supply Chain Declaration, which requires Caprice suppliers of apparel, bedding, textiles and towels to disclose the processing facilities, fabric and yarn manufacturers, and cotton sourcing regions used in production of products for Caprice. The disclosure process aids in mapping our supply chain beyond tier 1 (finished goods) factories and aids in the mitigation of modern slavery risks.
- **Global Organic Textile Standard Certification:** Caprice renewed its certification to the Global Organic Content Standard (GOTS). GOTS is the world leading standard for organic textile products. It sets strict requirements, not only on the organic status and environmental aspects of textile production, but also various social criteria. These include freedom of association, child labour, migrant workers, living wage, among others. GOTS is a chain of custody certification, meaning these requirements must be met by all tiers in the supply chain, including Caprice, as traders. FY2025 was the second year Caprice has been audited by GOTS auditors pursuant to GOTS V7.0, which among other things, has strengthened human rights criteria in areas, including respect for human rights, human rights due diligence and impact assessment and living wage.

5. Assessing Effectiveness

Responsibility for assessing and addressing modern slavery risks is assigned to Caprice's Compliance Manager under the oversight of the Caprice Managing Directors. In accordance with the Caprice ES Program Standard Operating Procedure, the Caprice Compliance Manager provided the Managing Directors with two half year reports on the implementation and effectiveness of the ES Program in FY2025. The half yearly reports are used to identify improvements or variations in the ES program overtime.

The reports included, among others, the following indicators:

- Total number of factories
- Factories with a valid ethical sourcing audit (mandatory under our program)
- ES factory audit gradings using the Caprice ES grading system
- Number of factories audited in the reporting period
- Number of factories with audits due for renewal (30 days)
- Number of critical non-compliances (CNC)
- Details of responses to CNCs
- Number of factory ES Program site visits and training conducted in reporting period
- Significant ES program issues/activities in reporting period

We will continue to review and enhance these KPIs and develop further metrics to assess the effectiveness of our actions, in line with continuous improvement.

Caprice's overall modern slavery risk management approach is reviewed at least annually and was reviewed in the FY2025 reporting period.



6. Consultation with Entities Owned or Controlled

During the reporting period this Statement covers, Caprice actively engaged and consulted with the relevant companies we own or control. Details pertaining to the Modern Slavery Act 2018 (Cth) reporting requirements were discussed, including information regarding the actions we intend to take to address modern slavery in our operations and supply chains.

This Statement was approved on 2 December 2025 by the Caprice Board in their capacity as principal governing body of Caprice Australia Pty Ltd.

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Harvey Lewis, Managing Director of
Caprice Australia Pty Ltd

2 December 2025

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Mark Hansky, Managing Director of
Caprice Australia Pty Ltd

2 December 2025



MODERN SLAVERY ACT 2018 (CTH) – STATEMENT ANNEXURE

Mandatory reporting criteria required by Modern Slavery Act 2018	Caprice Australia Pty Ltd Modern Slavery Statement
a) Identify the reporting entity	Section 1, page 2
b) Describe the reporting entity's structure, operations and supply chains	Section 2, page 2
c) Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities it owns or controls	Section 3, page 3
d) Describe the actions taken by the reporting entity and any entities it owns or controls to assess and address these risks, including due diligence and remediation processes	Section 4, pages 3- 5
e) Describe how the reporting entity assesses the effectiveness of these actions	Section 5, page 5
f) Describe the process of consultation with any entities the reporting entity owns or controls	Section 6, page 6
g) Any other information that the reporting entity, or the entity giving the statement, considers relevant.	N/A