

DAVID JONES

FY2023

Modern
Slavery Statement



David Jones acknowledges the Traditional Custodians and Owners of the lands on which our stores are located, Australia's First Nations peoples. We pay respect to all First Nations peoples, past and present, for their generosity and custodianship of Country.



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About this Statement

David Jones Pty Ltd is an Australian company (ACN 000 074 573) registered in Melbourne, Victoria. David Jones' Modern Slavery Statement (**Statement**) has been published in accordance with the Modern Slavery Act 2018 (Cth) (**MSA**) and describes the actions taken from July 1st, 2022 to June 30th, 2023, by David Jones Pty Ltd, its Australian parent entities (as set out below), and their owned and controlled entities, to identify, assess and address modern slavery risks.

This joint statement is made on behalf of all reporting entities namely David Jones Pty Ltd, Vela Investments Pty Ltd, ACP Riley Street Pty Ltd, ACP Riley Street Midco Pty Ltd, ACP Riley Street Finco Pty Ltd and ACP Riley Street Group Pty Ltd. This Statement has been approved by the concurrent Boards of these entities.

Table 1: List of relevant reporting entities

Reporting Entity	Type of activities undertaken by reporting entity	Location of reporting entity
David Jones Pty Ltd (ACN 000 074 573)	Retail (Clothing, general merchandise and food)	Australia
Vela Investments Pty Ltd (ACN 168 920 447)	Holding Company	Australia
ACP Riley Street Pty Ltd (ACN 656 969 274)	Holding Company	Australia
ACP Riley Street Midco Pty Ltd (ACN 665 249 543)	Holding Company	Australia
ACP Riley Street Finco Pty Ltd (ACN 665 247 601)	Holding Company	Australia
ACP Riley Street Group Pty Ltd (ACN 656 968 795)	Ultimate Holding Company	Australia

CHANGE IN OWNERSHIP

On 27 March 2023, David Jones Pty Ltd and Vela Investments Pty Ltd and their subsidiaries (collectively, **David Jones**) were acquired by ACP Riley Street Group Pty Ltd (**ACP**) from its previous ultimate holding company Woolworths Holdings Limited (**WHL**). The acquisition by ACP did not include the entity Osiris Holdings Pty Ltd (**Osiris**), which previously reported in a joint statement with David Jones Pty Ltd. Therefore Osiris is no longer

included in David Jones' corporate structure and will not be included in future statements.

Given that the change in ownership occurred during the 2023 financial year, this Statement reflects activities that occurred under both WHL and ACP ownership of David Jones during FY2023.

Table 2: List of mandatory reporting criteria

Australian Modern Slavery Act 2018 (Cth) mandatory reporting criteria	Within this statement
Identify each reporting entity covered by the joint statement	Page 04
Describe the structure, operations and supply chains of each reporting entity covered by the joint statement	Pages 07-13
Describe the risks of modern slavery practices in the operations and supply chains of each reporting entity covered by the joint statement and any entities that each of those reporting entities owns or controls	Pages 14-19
Describe the actions taken by each reporting entity covered by the joint statement and any entities that each of those reporting entities owns or controls to assess and address these risks, including due diligence and remediation processes	Pages 19-35
Describe how each reporting entity covered by the joint statement assesses the effectiveness of actions being taken to assess and address modern slavery risks	Pages 36-38
Describe the process of consultation with each reporting entity covered by the joint statement and with any entities that each of those reporting entities owns or controls	Pages 41-42
Any other relevant information	Pages 39-40, Pages 43-44

A Message from our CEO



For 185 years, David Jones has revolutionised the way Australians shop. We've become a social destination, acting as an author of memories for past, present and future generations. With foundations built on innovation and progress, David Jones has always embraced its responsibility as an active voice for positive change in the community.

In keeping with this, I am pleased to share with you an update on our ongoing commitment to combating modern slavery within our operations and supply chain.

The David Jones business returned to Australian ownership in March 2023, and despite disruptions that occurred during that transition, I'm pleased to report that we continued to make progress on our commitments and implemented key initiatives during the reporting period, including:

- **Establishment of the Modern Slavery Lead Committee:** We've taken a significant step by bringing together key senior stakeholders across relevant business functions to elevate and drive our response to our modern slavery risks. Collaboration and alignment are essential in this endeavour.
- **Gap Analysis for Enhanced Risk Management:** Through a comprehensive gap analysis, we've identified new opportunities to strengthen our modern slavery risk management approach and developed a roadmap of actions for the future.

This proactive approach ensures that we continue to evolve our controls for effectiveness and we stay ahead of increasing stakeholder expectations.

- **Refreshed Risk Profile:** As we transitioned to become a standalone business, we took the opportunity to revisit our risk profile. Through this, we've identified ten areas of potential modern slavery risk across our operations and value chain. Understanding these risks is crucial for our targeted efforts.
- **Delivery on Key Commitments:** Of our eight commitments in FY23, we've successfully fulfilled three key commitments, including improving our supplier onboarding processes, ongoing policy reviews, and the assessment of supplier due diligence - keeping pace with changes in our private-label business. We're also continuing to make headway on four commitments. These include developing modern slavery and broader human rights training for our suppliers and internal staff, enhancing methods for measuring program effectiveness, and continued engagement with our Non-Trade-Procurement (NTP) suppliers to ensure compliance and governance standards.
- **Challenges in Traceability:** While tracing our supply chain beyond direct suppliers remains challenging, we're committed to pushing the boundaries and deepening our knowledge of Tier 1 factories and beyond. Our commitment to transparency of direct suppliers remains.

This progress is a testament to our dedication to ethical practices, social responsibility, and our mission to eradicate modern slavery from our value chain. I extend my gratitude to the entire team for their hard work and commitment to these important initiatives as we continue our journey to become one of the most responsible retailers in the world.

Though we've made progress, we are aware there is still much to do to stamp out modern slavery on a systemic level and we support the Australian Government's commitment to strengthen the Modern Slavery Act. We look forward to engaging with the Australian Government and other stakeholders to progress this work.

This Statement was approved by the David Jones board on the 12th December 2023 and I am pleased to present it to you. Together, we will work to create a world free from modern slavery.

Sincerely,

Scott Fyfe
Chief Executive Officer
David Jones Pty Ltd

Introduction & FY23 Progress

INTRODUCTION

David Jones is the oldest continuously operating department store in the world still trading under its original name. With a network of 42 stores across Australia and New Zealand as well as davidjones.com, our operations and supply chains face risks of modern slavery, and we are committed to managing those risks effectively with a focus on continuous learning and improvement.

This is David Jones' fourth Statement under the MSA. In this statement, we outline our ongoing efforts to combat modern slavery and respect broader human rights.

Responsibility is at the heart of our thriving culture and we believe transparency, accountability, and collaboration are essential tools in eradicating modern slavery. We invite you to learn more about our commitment and progress in this crucial endeavour.

We outlined a number of planned initiatives to strengthen our approach to modern slavery risk management in our 2022 Statement. In March of 2023, Anchorage Capital Partners acquired David Jones' operating business, bringing the brand back into Australian ownership in its 185th year.

While our progress during the transition period was challenged, we remain committed to delivering these initiatives as we prepare for the next phase of our growth. Our progress is summarised in Table 3.

PROGRESS AGAINST OUR COMMITMENTS

In our FY22 statement, we had eight (8) forward looking commitments for the FY23 reporting period. In the table below we outline our progress against these commitments.

Table 3: List of FY23 commitments, status and actions taken

Deliverable	Status as at 30 June 23	FY23 Actions
Develop modern slavery and broader human rights training, workshops and guidance to our suppliers and brand partners	●	Conducted two sessions with key strategic branded partners to discuss topics and delivery methods they would find beneficial in helping them tackle their own modern slavery risks. More information can be found on page 31.
Assess and develop training of internal staff, including senior leadership teams, through modern slavery and responsible purchasing practices	●	Continued work on an e-learning module for general staff awareness and began progress on a curated training session for our newly formed Modern Slavery Lead Committee. We will look to roll out this training in FY24. More information can be found on page 31.
Review and progress traceability of private label factory sites deeper into the supply chain (i.e. beyond Tier 1 factories)	●	We were unable to progress our work on tracing beyond Tier 1. A formal review was conducted of previous traceability activity to inform our next steps. This will remain a commitment in FY24.
Review and assess our supplier onboarding through improved evaluation and risk assessment methods	●	Participated in a supplier onboarding workshop, across key business functions, to understand gaps and opportunities to improve. Completed an internal assessment of our current Tier 1 factory onboarding process to identify gaps and opportunities for further improvement. Will address key identified gaps in FY24.
Ongoing review and improvement of policies where required	●	Reviewed the complete list of current policies and procedures (listed on page 23.) and tracked improvements made within the reporting period. We will continue to review our policies and procedures iteratively.
Continue to assess our supplier due diligence to ensure it is appropriate with changes to our apparel & food private-label business	●	Completed an assessment of our Approved Factory Program (AFP). Continued to maintain our suppliers' factory due diligence via audit reviews and Sedex compliance via our AFP. More information can be found on page 28-29.
Assess & further progress methods & systems for measuring the effectiveness of programs	●	We conducted a benchmarking exercise, reviewing two peer statements to understand what best practice looks like and to identify improvements David Jones can implement. Refining how we assess the effectiveness of our programs will be a focus during the next reporting period. More information can be found on page 38.
Continue to assess our supplier due diligence to ensure it is appropriate with changes to our apparel & food private-label business	●	The Non-Trade Procurement (NTP) team were able to identify some gaps in our current contractual arrangements however, we were unable to further progress this commitment as the NTP team focussed on post-separation activities. This will remain a commitment in FY24.

Key ● Not Commenced ● Commenced ● Complete



David Jones' Structure, Operations and Supply Chains

David Jones is a leading premium Australian retailer and sells apparel, footwear, accessories, homewares, beauty, gifts, electrical products, technology, and food.

OUR STRUCTURE

David Jones Pty Ltd is an Australian company (ACN 000 074 573) headquartered in Melbourne, Victoria. David Jones' ultimate holding company is now the Australian-based entity ACP Riley Street Group Pty Ltd. David Jones was acquired by ACP in March 2023 from its previous ultimate holding company, the listed South African business Woolworths Holdings Limited (**WHL**).

David Jones Pty Ltd and David Jones (NZ) Pty Ltd are the only customer facing entities, however the David Jones corporate structure is made up of 24 companies which includes numerous non-customer facing entities which are involved in activities such as property arrangement or are parent/holding entities.

OUR OPERATIONS

David Jones is a leading premium Australian retailer and sells apparel, footwear, accessories, homewares, beauty, gifts, electrical products, technology, and food under various trading arrangements described in this Statement. These goods may be sold under David Jones' proprietary brands or under third-party brands or services from international and domestic suppliers with whom we partner through our stores, or via our e-commerce channel.

Our team members working across the business are employed on full-time, part-time and casual agreements across Australia and New Zealand. We support our operations from our head office support centre which is located in Melbourne, Victoria.

We utilise one leased and operated warehouse and distribution facility and contract one third-party logistics warehouse to support the operations of our store network. Both facilities are located in New South Wales. The third-party provider was introduced four years ago to support the David Jones distribution centre and to streamline direct-to-store deliveries. Along with our direct team members within the distribution centre, these facilities also

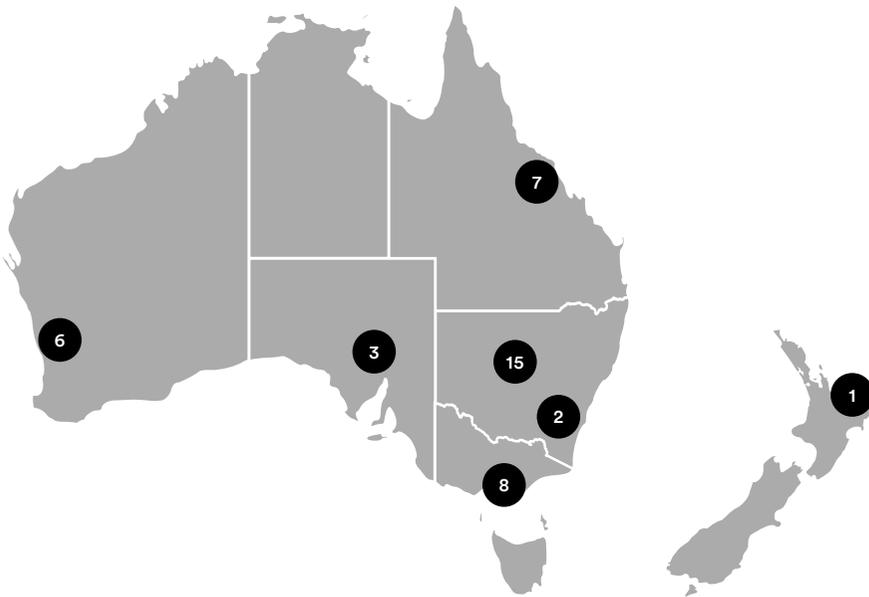
use agency workers to receive, unpack and fulfil stock for our store network and pick-and-pack millions of e-commerce parcels for our online customers.

We also partner with American Express who provide co-branded credit card to our customers where David Jones' responsibilities include marketing. With this arrangement coming to an end in July 2024, David Jones has appointed Latitude as its new financial services partner to offer customers a David Jones branded credit card with exclusive rewards and benefits.

OUR STORES

In FY23, David Jones' main operations involved managing a network of 42 physical stores¹ across Australia and New Zealand. During this reporting period David Jones reduced the footprint of the store portfolio with one store closure.

Figure 1: Map of David Jones store network

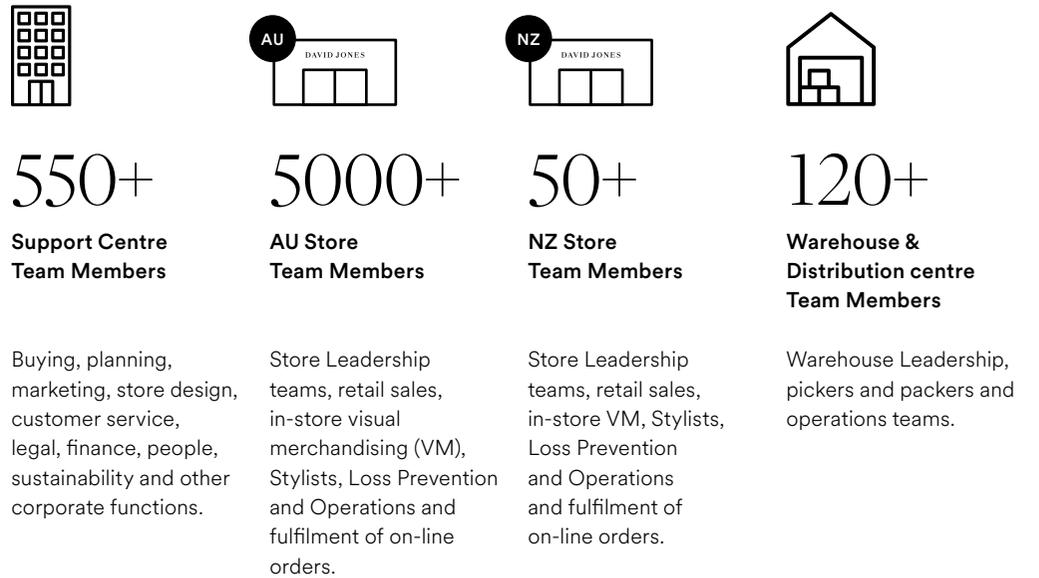


¹ Store count as at June 30, 2023

OUR TEAMS

Our workforce is comprised of approximately 5270 team members which span our retail stores, distribution centres and Support Centre (Head Office).

Figure 2: David Jones team members



Suppliers who provide goods we sell are managed through Buying Teams with oversight from our Legal and Ethical Sourcing Teams.

OUR SUPPLIERS AND SUPPLY CHAINS

As a department store, we have various trading arrangements with our suppliers across our premium store and online offerings. These are defined in four distinct ways:

1. Concessions

Third-party brands operate their own 'shop-in-a-shop' area within David Jones stores, including fashion and accessories, beauty treatments, and food services.

2. Third-Party Brands

An arrangement through which we buy a selection of domestic and international brand merchandise from wholesalers/suppliers and then sell/retail products to consumers.

3. Private Label

Products that are designed and developed under our proprietary brand names, but which are manufactured and sourced on our behalf by a diverse range of third parties in numerous locations. Products include apparel, fashion accessories, food and homewares.

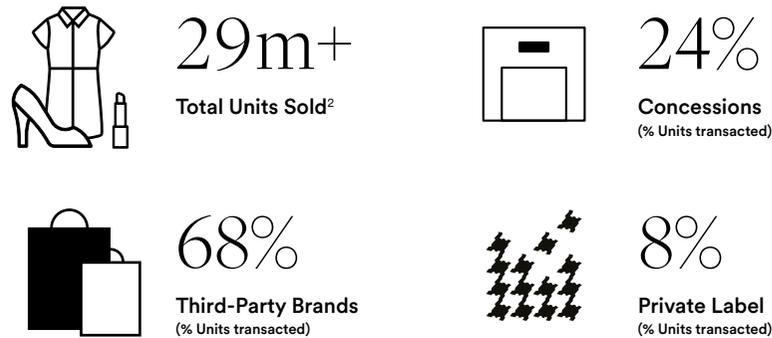
4. Non-trade Procurement

Where goods and services are supplied to David Jones to support the operation of our businesses, including Information Communication Technologies (ICT), logistics, packaging, marketing, cleaning, and security services.

The above definitions of our trading arrangements with suppliers, brands and concessions are managed through our business, each with their own set of agreements and procedures. For example, suppliers who provide goods we sell are managed through Buying Teams with oversight from our Legal and Ethical Sourcing Teams.

Suppliers engaged in non-trade procurement (NTP) activities are managed by our head office NTP Team with Legal and Ethical Sourcing Teams also overseeing activities related to modern slavery risk management for this supply category.

Figure 3: FY23 Products Sold



² Unit means an item of merchandise sourced for retail sale.

OUR FOOTPRINT – PRIVATE LABEL SUPPLY CHAIN

David Jones does not manufacture goods directly but rather engages with a range of suppliers for the manufacturing of goods sold under David Jones proprietary brands, listed in Appendix 2.

We engage with suppliers and factories from a number of countries worldwide who support us in developing and manufacturing these products on our behalf.

In this reporting period, our private label goods were produced by 110 suppliers in 161 Tier 1 factories, and sourced from 16 countries. This is across all our merchandise categories of food, home, beauty, apparel, footwear and accessories.

We see transparency as a critical part of meeting our responsibility to respect human rights, in line with the UN Guiding Principles on Business Human Rights (UNGPs). We continue to increase the Tier 1 private label product factories, as published on our interactive [factory map](#), which is available on our corporate website and is routinely updated.

In FY23 we increased the percentage of our Tier 1 factories published (for apparel, footwear & accessories, beauty and home) to 90% (LY 89%), and we continue to track and publish the below worker information:

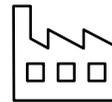
- Number of workers at the factory site
- Percentage of women workers
- Percentage of international migrant labour used at a site

We will continue to increase the percentage of Tier 1 sites published over time.

Figure 4: Private label suppliers and factories



16 Countries
Sourcing Countries³



161
Factories (Tier 1): 130 Merch & 31 Food

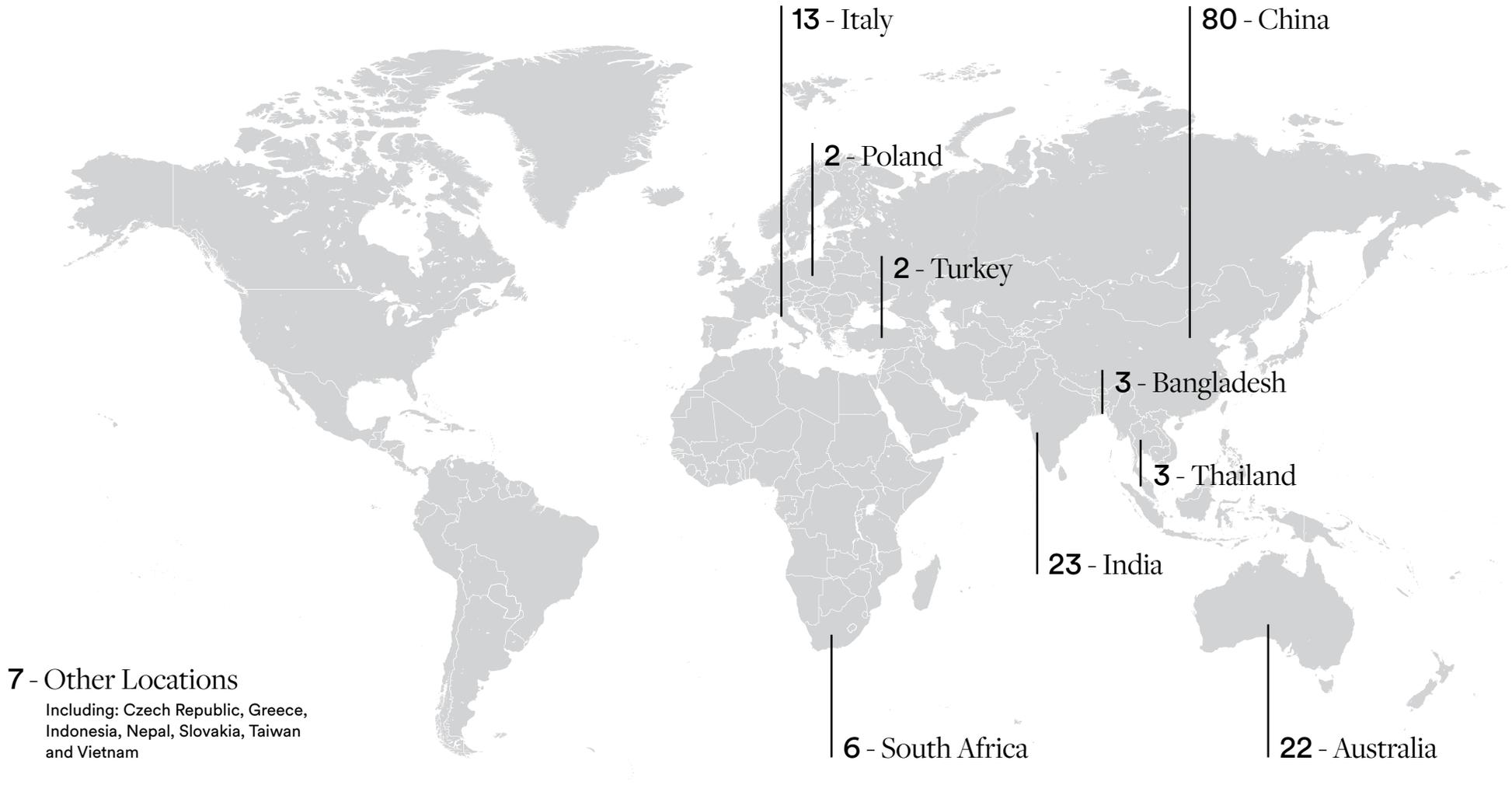


110
Active Merchandise & Food Suppliers

³ Based on location of Tier 1 factories.

David Jones Private Label Sourcing Locations

Figure 5: Private label Tier 1 sourcing locations



One hundred and twelve major suppliers represented 96% of the total non-trade spend for David Jones in FY23.

OUR NON-TRADE PROCUREMENT (NTP) GOODS AND SERVICES

The non-trade goods and services that we procure for the support of the operations of our business activities are purchased from 112 major suppliers across eight major categories of non-trade procurement. These 112 major suppliers⁴ represented 96% of the total non-trade spend for David Jones in FY23.

The majority of NTP suppliers have their businesses incorporated and located in Australia. However, the non-trade goods (including raw materials and components used) and services that we procure may involve domestic and international production activities. For example, our in-store bags may be produced overseas.

Our use of services, such as those used in providing logistics and cleaning for David Jones, is recognised as a high-risk environment for modern slavery in certain sectors as detailed in section 5.

Figure 6: NTP suppliers and spend

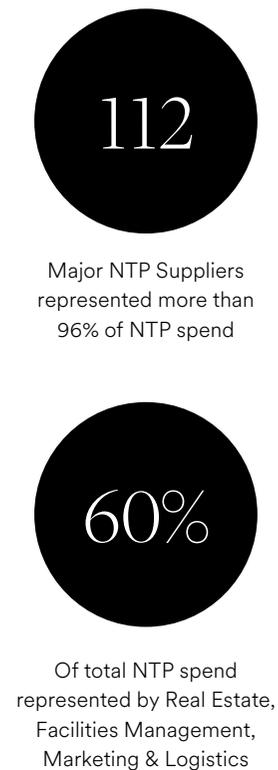
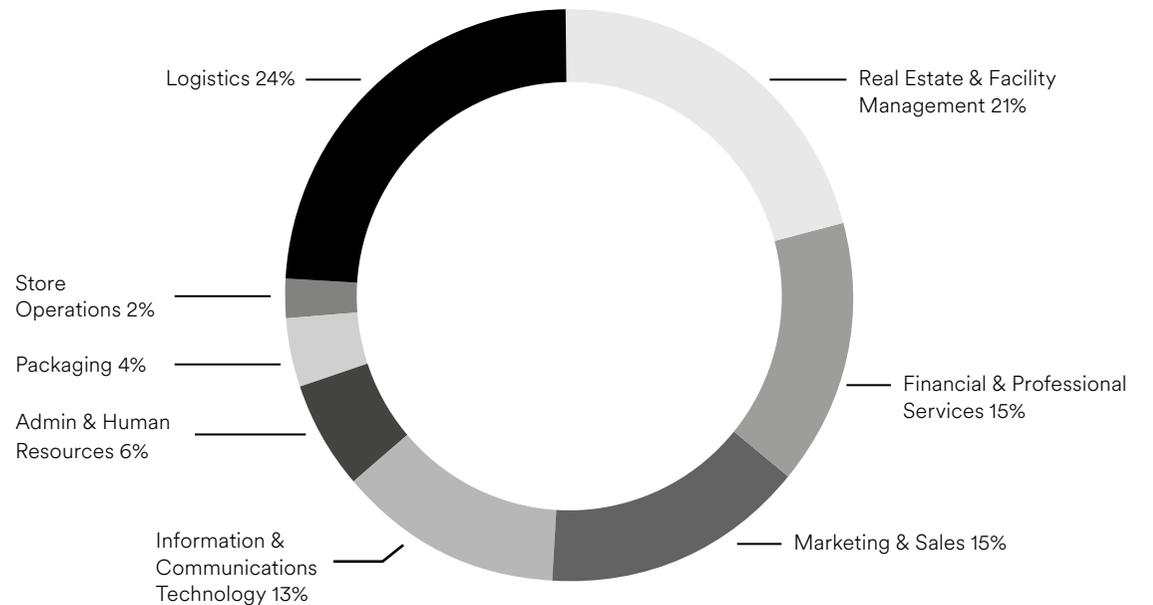


Figure 7: NTP spend by category (%)

The goods and services we procure within our Non-Trade categories include:



⁴ 112 major suppliers. Defined for FY23 statement as having annual spend of over \$200,000 in excess of 150 small-scale NTP suppliers.

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Identifying our Modern Slavery Risks

MODERN SLAVERY RISKS IN OUR OPERATIONS AND SUPPLY CHAINS

Modern slavery describes 'situations where coercion, threats or deception are used to exploit victims and undermine or deprive them of their freedom'.⁵ The MSA outlines eight forms of serious exploitation, which are listed below and defined in Appendix 1.

- Trafficking in Persons
- Forced Labour
- Slavery
- Debt Bondage
- Servitude
- Deceptive Recruiting for Labour of Services
- Forced Marriage
- The worst forms of child labour

We understand modern slavery risks exist in the operations and supply chains of all companies, including our own. Consequently, we take proactive measures to identify, assess and mitigate the risk associated with modern slavery across our operations and supply chains.

Consistent with the so-called “continuum of involvement” in the UNGPs⁶ and the Australian Government’s official guidance on the MSA, we understand modern slavery risks as those including situations where we might ‘cause’, ‘contribute to’, or be ‘directly linked to’ modern slavery. These terms are explained in the table following.

⁵ [Australian Government Guidance for Reporting Entities](#)

⁶ The UNGPs continuum of involvement helps to highlight how companies could be involved in a human rights harm through its own activities and business relationships, including its supply chains, and what appropriate action is expected in response.

Table 4: UNGPs continuum of involvement terms and potential risks

The UNGPs continuum of involvement		Potential modern slavery risks in the retail industry
Cause	A business may cause an adverse human rights impact, such as modern slavery, where its acts or omissions directly result in modern slavery practices occurring.	<p>Retail companies in Australia could cause modern slavery by, for example, employing young workers who are potentially subjected to hazardous work, or by knowingly exploiting workers in distribution centres.</p> <p>While we employ a number of young workers, including workers under 18, in our David Jones stores, we have specific policies, procedures and controls to ensure that they are not subjected to any potential risks. These include the application of minimum working standards, as well as specific training and awareness raising related to potentially hazardous work. Through our processes to assess and address modern slavery risks outlined in this statement, we consider the risk that we cause modern slavery in our operations to be low.</p> <p>All of our employees are employed on a full-time, part-time or casual basis and covered by Enterprise Bargaining Agreements, relevant Award or Individual Employment Contracts, depending on their position and work location. Prior to commencing employment, they are provided with copies of agreements that cover the relevant employment laws that aim to protect them from situations that may lead to modern slavery. More information on these steps, and other policies and steps taken to manage these risks can be found on page 23.</p>
Contribute	A business may contribute to an adverse human rights impact, such as modern slavery, where its actions or omissions significantly facilitate, enable or incentivise modern slavery practices occurring.	<p>Retail companies could contribute to modern slavery in a number of ways. For example, this could include where a retail company does not act on evidence that a supplier is engaged in modern slavery, for example in an audit report, and does not take action to prevent these practices.</p> <p>We take a number of steps to manage modern slavery risks in our supply chain which help to mitigate the risk that we might contribute to modern slavery, including through our AFP and supplier engagement. More information on these steps can be found on page 27-31.</p>
Directly Linked	A business may be directly linked to an adverse human rights impact where its operations, products or services are connected to the impact through the actions of another entity with which it has a business relationship (such as a supplier) but the business has not caused or contributed to the harm.	<p>Retail companies could be directly linked to modern slavery through, for example, situations where goods such as apparel are purchased from a supplier that includes raw materials purchased from a sub-supplier, such as cotton, produced through forced labour.</p> <p>David Jones takes a number of steps to assess and address modern slavery risks in our supply chain. For example, in the reporting period, we undertook a risk assessment and identified 10 priority areas where we could be directly linked to modern slavery. More information on these steps can be found on page 17-18.</p>

The findings of the review indicated that our risk profile has largely remained unchanged.

In FY20, we undertook a broad risk assessment that included a focus on modern slavery. This risk assessment indicated that, whilst we were less likely to cause or contribute to modern slavery, we may be directly linked to areas of modern slavery risk in our supply chains. Using the information from the risk assessment in conjunction with our ongoing activities, we consider the most relevant types of modern slavery exposure for David Jones through a potential direct linkage in our supply chains to be, forced labour, bonded labour, deceptive recruiting and the worst forms of child labour.

During the reporting period, we initiated a review of our risk profile. Given the change in ownership of David Jones from WHL to ACP, we saw this as a priority for our modern slavery risk management to assess whether our risk profile had changed with the new ownership. The findings of the review indicated that our risk profile has largely remained unchanged; we have assessed that we are still unlikely to cause or contribute to modern slavery, but we may be directly linked to modern slavery through our supply chains.

The 2023 risk profile assessment reaffirmed the types of modern slavery David Jones is likely to be exposed to and identified the below key risk factors for modern slavery relevant to our operations and supply chains:

- Low skilled labour
- Temporary labour
- Strong pricing competition
- Migrant labour
- Subcontracting
- High-risk geographies

The global food, clothing and textile industry has been largely dependent on human labour. Globalisation of supply chains has increased the global exposure to modern slavery risks and David Jones is no exception.

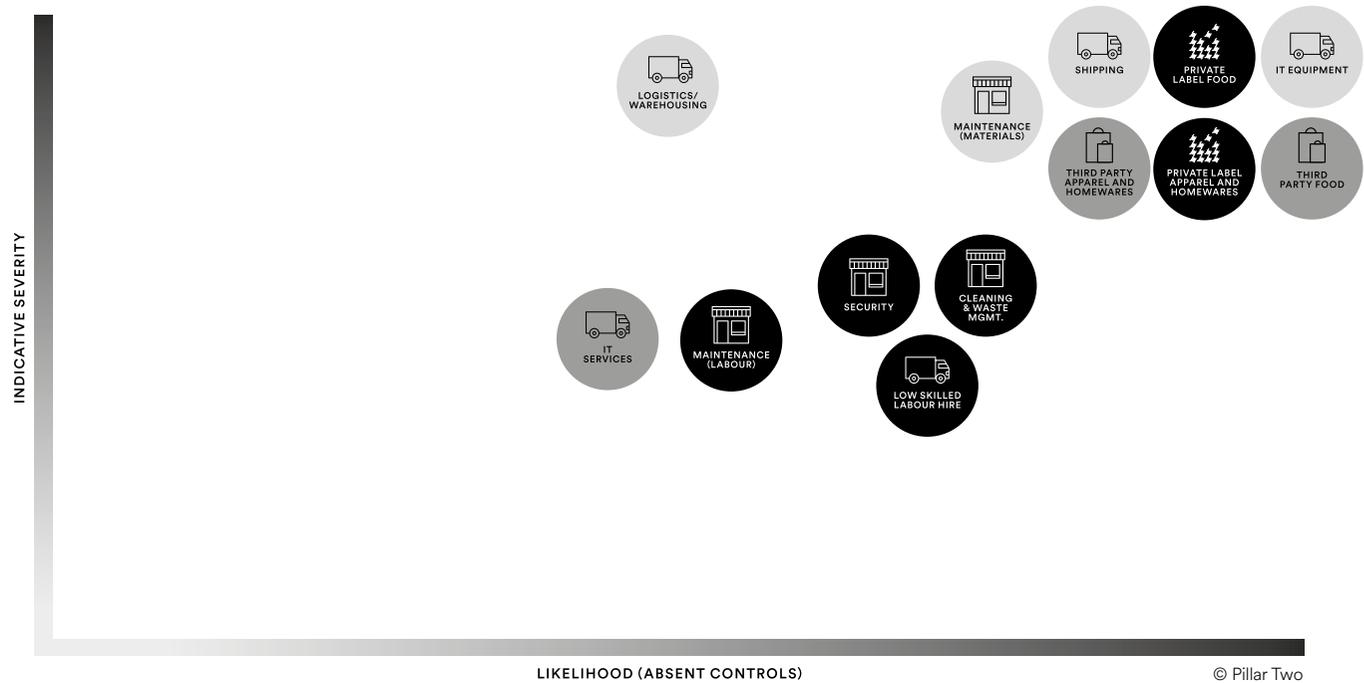
The correlations between low-skilled labour and labour-related issues occurring through the exploitation of a vulnerable workforce have been widely documented.

POTENTIAL MODERN SLAVERY RISK AREAS IN OUR OPERATIONS AND SUPPLY CHAINS

The high-level risk assessment identified ten modern slavery hotspots outlined to the right. These have been assessed to be the highest risk in relation to David Jones' operations and value chain.

The chart maps the 10 hotspots by indicative severity⁷ and likelihood, with an overlay of our (perceived) leverage. This analysis will determine how we assess and prioritise each hotspot to ensure we are responding to the most severe risks.

Chart 1: Overview of modern slavery hotspots, by severity and likelihood



© Pillar Two

Key Higher Leverage Medium Leverage Lower Leverage



Private Label



Third-Party Brands



Facilities



NTP/Supply Chain

⁷ The UNGPs expect companies to identify general areas where the risk of adverse human rights impacts are the most significant and prioritise these for due diligence. Within these areas, it guides businesses to focus on their most severe human rights impacts. Severity is assessed by the scale, scope and irremediability of the impact, through the lens of 'risk to people'.

Table 5 includes the modern slavery risk hotspots identified in our 2023 risk profile review.

Our next steps will be to utilise our hotspot analysis and prioritise our actions based on the findings of the new risk assessment. This is reflected in our FY24 looking forward commitments. We also recognise that Modern Slavery risks are not static and change over time and David Jones will continue to monitor these risks.

David Jones is aware of the global focus on high risk regions for sourcing specific commodities such as cotton being produced in countries with alleged state sponsored forced labour. Through our AFP, we can identify our Tier 1 suppliers by location - no Private Label products were produced within these regions during the reporting period. David Jones will continue to monitor external reports for updated information around modern slavery risks in these regions.

Table 5: Modern slavery hotspot hypothetical examples

David Jones areas of business	David Jones modern slavery hotspots	Hypothetical examples, provided for illustrative purposes only
Private Label	Food	Cocoa used in chocolate products could be harvested by a sub-supplier using the worst forms of child labour.
	Apparel and Home	Migrant workers in apparel factories could be exploited through debt bondage and have their passports confiscated.
Third Party Brands	Apparel and Home	Handcrafted ceramic products could be made using the worst forms of child labour by a third party brand's subcontracted supplier.
Facilities	Cleaning and waste management	Cleaning contractors could be exploited through modern slavery by a services provider at a store.
	Maintenance and refurbishment	Subcontracted workers providing plastering and painting services as part of a store refurbishment could be subject to forced labour.
	Security	A security provider could engage staff from overseas through a recruitment agency, which charges the workers excessive recruitment fees they cannot repay.
NTP & Supply Chain	Labour hire	Workers procured through labour hire contractors could be in situations where they do not have access to their passports and are not paid by the contractor.
	Logistics and third-party warehousing	Workers in a third-party warehouse overseas could be exploited through modern slavery.
	IT equipment and services	IT equipment used in stores could include minerals mined using the worst forms of child labour.
	Shipping	Workers on a ship transporting products could be exploited by the ship owner and forced to continue working after their contract expires.

Case Study

Refreshing our Risk Profile

In FY20, David Jones undertook a risk assessment, in identifying potential areas of modern slavery risk. This assessment, has served as a key resource to support us to identify, understanding and managing our modern slavery risks. Amongst the changes to our business ownership structure, David Jones took the opportunity to review our risk profile as a new standalone business and undertake a modern slavery hotspot analysis aimed at identifying key areas of potential modern slavery risk across our operations and supply chain.

The methodology for this analysis included a high-level document review and interviews with key internal business functions. The risks identified through this review were compared against key external resources including Government resources and guidance, reports and commentary from relevant international organisations, analyses, research, and reports from credible non-government organisations and third parties and media reporting.

The review identified ten indicative modern slavery hotspots in David Jones across key business categories:

- Private Label
- Third Party Brands
- Facilities
- NTP & Supply Chain

The modern slavery hotspots were evaluated in line with the UNGP's continuum of involvement, and also included an indicative severity and likelihood rating.

The modern slavery hotspot analysis was completed in June 2023. This update to David Jones' risk profile will help better inform decision making, allow us to effectively allocate resources and prioritise areas for action as well as implement appropriate and targeted risk management strategies to mitigate modern slavery risk.



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Assessing and Addressing our Modern Slavery Risks

We continued to utilise a suite of tools to assess and address our risks of modern slavery including policies, contractual agreements, self assessment questionnaires and audits.

In FY23, we continued to utilise a suite of tools to assess and address our risks of modern slavery. These include policies, contractual agreements, self-assessment questionnaires and audits deployed throughout our supply chain.

This section of the statement explains how we integrate modern slavery into our governance structure; outlines our policy framework, and explains our due diligence and remediation processes. It is divided into the following seven key areas:

Our governance structure

Our policy framework

Our approach to assessing and addressing risks in our operations

Our approach to assessing and addressing risks in our supply chain

Our training and awareness raising

Our collaboration and stakeholder engagement

Our grievance mechanisms and remediation

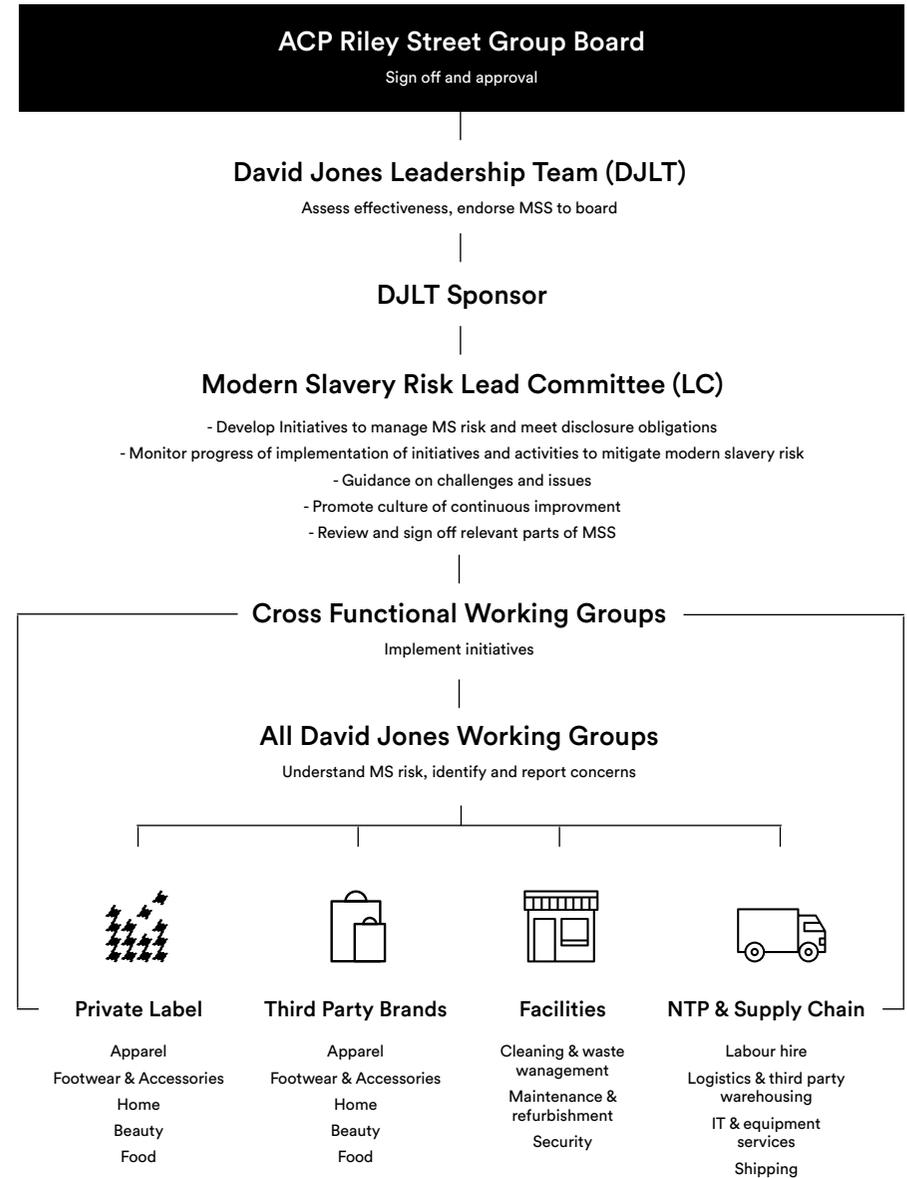
Human rights responsibilities (including modern slavery) are addressed at the highest level across David Jones.

OUR GOVERNANCE STRUCTURE

We identify, assess, and manage modern slavery and broader human rights risks in an agile and adaptive manner. This occurs through collaboration between many teams including Human Resources, Legal, Risk & Compliance, Supply Chain, NTP, Merchandise and Ethical Sourcing Teams.

Human rights responsibilities (including modern slavery) are addressed at the highest level across our company and are integrated into our governance framework. David Jones is directly accountable for the actions taken by all owned and controlled Australian entities to assess and address modern slavery, including our reporting obligations under the Modern Slavery Act.

Figure 8: Governance structure



In FY2019, we created our first Modern Slavery Cross-Functional team (CFT) to inform and support our modern slavery risk management. The CFT brought together stakeholders from across the business to draw on their expertise and insights and convened regularly to discuss current and emerging modern slavery and broader human rights risks. Given the prevalence and severity of modern slavery risks for businesses with global value chains, David Jones decided to form a new Modern Slavery Lead Committee in this reporting period. Bringing together senior leaders with decision making levels of authority across key business functions, David Jones ensure that modern slavery risks are considered at the senior levels of our business and effectively managed. As illustrated above, the Committee forms a key part of the governance framework for David Jones.

Our new Modern Slavery Lead Committee, outlined in the case study accompanying, meets every 6-8 weeks. Although the committee was formed late in the reporting period, we were able to meet on two occasions before the end of the financial year to establish the committee's Terms of Reference, review and progress our FY23 commitments and also action key modern slavery initiatives. The committee has also provided key inputs and consultation in the development of this statement.

Case Study

Elevating accountability for modern slavery risk management with the establishment of our new Modern Slavery Lead Committee

Cross-functional committees serve several purposes, including to promote collaboration, break down silos, improve efficiency and foster innovation within an organisation. At David Jones, we have had a Modern Slavery CFT since 2019. As we transitioned into new ownership and stand-alone business, we took the opportunity to review the effectiveness of the MS CFT in monitoring and managing our modern slavery risks.

A key finding from the review showed that while we had appropriate teams represented on the CFT, there was an inability to make decisions on behalf of their respective teams when it came to actions and commitments that their areas could deliver, leading to delays in progressing workstreams. It was clear that there was a need to establish a more senior cross functional committee to more effectively manage our modern slavery risks. Subsequently, the Modern Slavery Lead Committee was created in March 2023. Members of the Lead Committee are senior members of the business, representing key

business functions as illustrated below. The Sustainability team coordinates the Lead Committee while each Committee member engages their respective functional areas to deliver on the commitments and better manage our modern slavery risk.



In the reporting period, the Lead Committee formalised their ways of working through the development of Terms of Reference and set out a clear objective 'to effectively mitigate the risk of Modern Slavery within David Jones

operations and wider value chain'. The Committee's scope was defined as:

Ensure our regulatory obligations are met; Monitor progress and implementation of agreed initiatives and activities to better mitigate modern slavery in our operations and value chains; Provide guidance on challenges or issues related to modern slavery risk; and Promote a culture of continuous improvement.

With a clearly defined objective and scope, the Lead Committee will continue to play a key role in managing our disclosure and reporting obligations as well as driving agreed initiatives and activities to better manage modern slavery risks across David Jones' value chain.



OUR POLICY FRAMEWORK

David Jones has established a clear set of codes, policies and protocols that set standards and expectations that need to be met by our people and suppliers across a range of areas, including modern slavery and broader human rights risks in our operations and supply chain. Through the implementation of these policies, we prioritise not only the risks to business, but also preventing and addressing risks to people.

Some of the key control policies, protocols or mechanisms to support our modern slavery risk management are included in this table.

These formal arrangements bind and guide our business, team members, and suppliers. These mechanisms help to mitigate the risks of modern slavery occurring in our operations and supply chains. They set clear obligations and expectations on parties and where stated, these requirements are expected to be promoted and applied beyond Tier 1 of our supply chain. These policies are clearly communicated to team members and suppliers through our onboarding requirements, employment and/or supplier contracts, via the internal intranet, as well as publicly on our website.

Team members are trained at regular intervals throughout the year through our corporate governance program. You can find more information on our training and awareness-raising related to modern slavery on page 31.

Table 6: List of policies, protocols and mechanisms

Policy, Protocol or Mechanism	Description	How is it implemented in practice?
Employment Contracts	Formal legal agreements between David Jones and team members that clearly specify each party's responsibilities including of regard to adherence to laws, our codes and policies	Contracts are sent to successful applicants upon the completion of all appropriate right-to-work in Australia checks and verbal acceptance of verbal offers.
Award/Enterprise Agreements (EA)	Formal agreements setting our terms and conditions of employment, wage rates, overtime rules and leave arrangements for team members	Negotiated periodically as per the agreed terms. Documentation is shared to each employee whose employment conditions are governed by the EA.
Employee Code of Conduct	Details the standards of behaviour and ethical conduct expected of team members	Details are shared upon the acceptance of their employment contract and housed on the internal intranet.
Workplace Behaviour and EEO Policy	Set out obligations to behave appropriately in the workplace and provide guidelines on how to access support and how to resolve a complaint	Housed on our intranet and discussed openly in teams, functional huddles and town halls.
Discrimination, Harassment and Bullying Policy	Set expectations and provide guidelines and processes for resolution of concerns in relation to discrimination, harassment and bullying.	Housed on our intranet and discussed openly in teams, functional huddles and town halls.
Whistleblower Policy	Provides guidance on how improper or criminal conduct (such as instances of modern slavery) can be confidentially disclosed and how they may be investigated	The updated policy is communicated through internal intranet channels, discussed openly in teams, functional huddles and town halls
Ethics Hotline Procedure	Ethics Hotline calls, emails complaints/tip-offs and whistleblower complaints are received, escalated and managed.	Updated Hotline details are communicated through internal intranet channels while new posters were printed and placed back of house across the store network.
Grievance and Dispute Resolution Policy	Designed to raise awareness about, and provide a fair and just working environment, by ensuring that team members have access to processes for the resolution of genuine personal grievances relating to the workplace.	Managed by our internal employee relations team in a confidential manner for both team members and leaders where appropriate. The policy is also housed on our intranet
Supplier Agreements	Formal legal agreements between David Jones and suppliers that clearly specify each party's responsibilities including in regard to adherence to laws, our codes and policies.	Negotiated and signed prior to becoming a David Jones supplier.
Supplier Code of Conduct	Sets out the expectations of our suppliers in relation to social, ethical and environmental issues, including health and safety and labour rights, including those related to modern slavery.	The Supplier Code of Conduct is integrated with Supplier Agreements. Suppliers agree to the Code when they sign their Supplier Agreement during the onboarding process. This process is housed on our intranet and corporate website.
Ethical Sourcing - Approved Factory Program	Framework for all private label suppliers and factories to adhere to when supplying goods for sale to our business.	The Ethical Sourcing Program Requirements Manual is sent to private label suppliers that are being onboarded. Our Supplier Code of Conduct also outlines high level requirements for private label suppliers.
Guiding Principles when Dealing with Critical Non-Compliances	Provide practical guidance to support the management of critical non-compliances	An internal document, utilised by the Ethical Sourcing team when working with suppliers and factories to address and remediate critical non-compliances

OUR APPROACH TO ASSESSING AND ADDRESSING RISKS IN OUR OPERATIONS

Our initial risk assessment in 2019 identified third-party labour services as a higher-risk area for our business. David Jones engages third-party labour providers to support the ongoing operations in our stores and business. The refreshed risk profile assessment conducted in this reporting period supported these original findings.

As we overlay our refreshed risk profile across our operations, we plan to undertake targeted supplier deep dives with specific higher-risk labour-hire providers engaged by David Jones to better understand potential risks and controls they may have in place. We plan to undertake these deep dives in FY24 and will provide an update in our next statement.

Our direct team members are employed on a full-time, part-time or casual basis and are covered by Enterprise Bargaining Agreements, relevant Award or Individual Employment Contracts, depending on their position and work location.

Prior to beginning their employment, team members are provided copies of agreements that cover the relevant employment laws that aim to protect them from situations that may lead to modern slavery.

These employment provisions, along with our policies detailed in this statement, provide a strong framework to help ensure modern slavery does not occur in our direct operations. Furthermore, as our operating businesses are bound by national laws including the Fair Work Act and National Employment Standards, we assess the risks of modern slavery occurring in our direct operations as low.

Our People team regularly review our employment agreements and our internal people policies to ensure that they meet, and where possible exceed legal requirements.

David Jones supports the right to organise, and within our operating warehouses, workers are active members of two unions.

Spotlight Update

Strengthening contractual arrangements

In our FY21 statement, we reported that we had strengthened the contractual arrangements with the store-cleaning services provider, including adding clauses specifically aimed at addressing and reducing the risks of modern slavery being used in these services. In FY22, we provided an update that the audit clause had been enacted and reported that the audit detected zero cases of short payment of entitlements to team members or contractors used by the cleaning services provider.

In this reporting period, we have expanded to include an audit requirement clause with a new food services provider that

we onboarded during the year, with plans to enact the audit clause in FY24 we will continue to add audit requirements to new supplier contracts of high risk services and products.

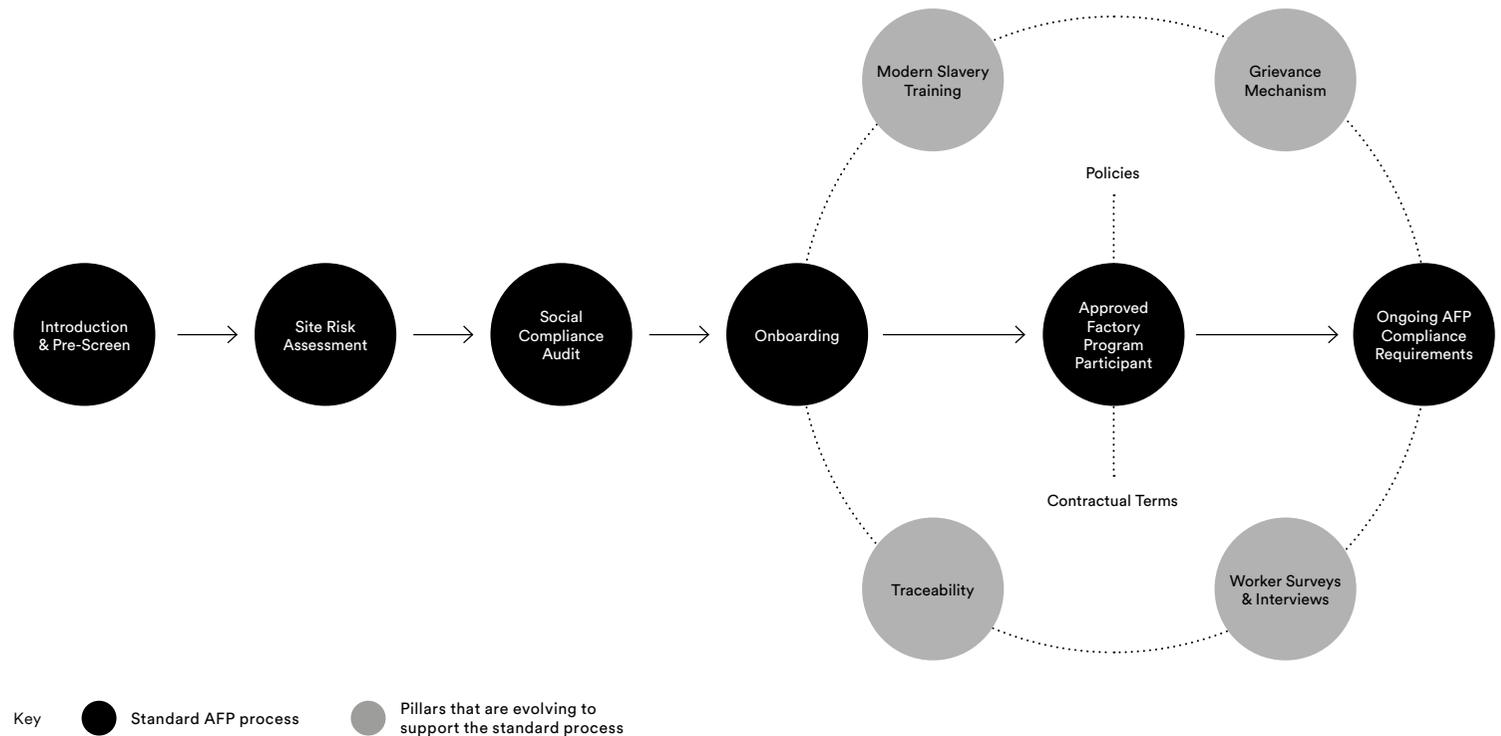


Our Approved Factory Program requires all private label suppliers that are above our set spend threshold, to provide a valid full audit report for each of their Tier 1 facilities

OUR APPROACH TO ASSESSING AND ADDRESSING RISKS IN OUR SUPPLY CHAIN

During this reporting period, we continued to review and strengthen our due diligence activities related to modern slavery risk management in our supply chain.

Figure 9: Risk assessment framework



OUR DUE DILIGENCE PROCESSES TO ASSESS AND ADDRESS MODERN SLAVERY RISKS IN OUR PRIVATE LABEL SUPPLY CHAIN

Our human rights due diligence approach, which includes preventing and addressing modern slavery, is aligned with the due diligence steps outlined in the UNGPs and the Australian Government Modern Slavery Guidance. This includes:

Figure 10: Risk assessment framework



DAVID JONES APPROVED FACTORY PROGRAM OVERVIEW

We recognise that our private label is the area in our supply chain where we potentially have the most leverage and therefore, where our own actions and decisions are more likely to influence the actions and decisions of our suppliers relating to modern slavery risk management. These private label suppliers also present a high risk that David Jones may be directly linked to adverse human rights impacts, including modern slavery. For this reason, we take a number of steps to manage modern slavery risks in our private label supply chain. This includes Approved Factory Program (AFP), which is our due diligence process for private label suppliers and provides ongoing access to assessments of the factory sites that produce our goods. All private label suppliers must be onboarded to our AFP. This program requires suppliers to register their Tier 1 factories on the SEDEX platform, complete self-assessment questionnaires, and where required provide a social compliance audit that covers the nine fundamental principles within our Supplier Code of Conduct. These principles are aligned with the ETI (Ethical Trade Initiative) Base Code, which is an internationally recognised code of labour practice.

David Jones is a member of SEDEX, along with many other global companies. We use this platform to improve our social compliance management for private label suppliers, including modern slavery risk management. SEDEX is an online platform that houses social and ethical audit reports and responsible sourcing data on supply chains. The platform enables factories to share self-assessment and audit data with multiple customers, reducing

the frequency of audits required, and making it easier for factories to manage their social compliance audits. SEDEX also provides a clear way to manage the corrective action tasks and share information on the progress suppliers are making on any issues raised.

Our AFP requires all private label suppliers above our set spend threshold to provide a valid full audit report for each of their Tier 1 facilities. We currently work on a two-year audit cycle and require updated audits for Tier 1 factories⁸ every two years from the initial audit date. Through these audits, factories are assessed to identify workplace conditions indicators that may lead to, or be a red flag for, modern slavery. This program provides our business and the suppliers' factories with clear corrective action plans to verify, remedy and close non-compliance issues.

These assessments are administrated and monitored by our Head Office Ethical Sourcing Team, and findings from these assessments are recorded and reported in both ad-hoc and regular reporting processes. The most critical issues (i.e. those where immediate interventions are required) are escalated to relevant stakeholders and our executive level for awareness, consultation and approval of resolution actions. Resolution may include termination of supplier relationships where required, but our aim is always to work with suppliers to resolve issues where possible.

⁸ Tier 1 factory refers to the final stage in production.



Case Study

Update to our SEDEX sponsorship offer to suppliers

As part of our AFP, David Jones requires Tier 1 factories (those which produce the finished Private Label products that we then sell in our store) to be registered with SEDEX. SEDEX provides increased visibility of factory risk profiles and enables active management of non-compliances – an important tool for David Jones' Ethical Sourcing Program and modern slavery risk management.

Recognising smaller suppliers and factories (such as those David Jones may only use seasonally) may struggle with cost and time to fulfil this requirement, David Jones initiated an offer to sponsor smaller suppliers in FY22, covering the cost of their membership in the first year as a way of encouraging participation on the SEDEX platform.

While there was no take up of the SEDEX sponsorship offer in the reporting period, we were pleased to see 100% of our food suppliers (a higher risk category for David Jones) registered on the SEDEX platform, up from 85% in FY22.

We will continue to demonstrate our commitment to supporting and collaborating with our suppliers and nominate factories for sponsorship where needed.

APPROVED FACTORY PROGRAM (AFP) IN FY23

During the reporting period, we onboarded 47 new factories to the AFP, and made 39 inactive from an Ethical Sourcing perspective, as they were no longer used for David Jones Private Label production. As of 30th June 2023, all Tier 1 Private Label factories (across food and non-food) were registered with SEDEX.

Most of our factory base is compliant with our AFP requirements, with 98% of food and non-food Tier 1 factories meeting our expectations as of 30th June 2023.

At the end of the reporting period, four (4) non-food private label factories were identified as having an overdue audit. Where we have not received an audit by the due date, we work closely and collaboratively with our suppliers to schedule an audit and have it provided within a mutually agreed time frame.

Despite the shortcomings associated with moment-in-time audits, social compliance audits remain an important tool for engaging our suppliers and factories.

In the reporting period, 56 social compliance audits (for existing Tier 1 factories), representing 34% of all factories were reviewed and assessed by the Ethical Sourcing Team. This is significantly higher than reported in FY22 (18 audits). We attribute this increase to the audit cycle (the number of factories due for re-audits within their two-year audit cycle window) being different from year to year. We have

also amended the way we track data related to audits. Previously, we were only capturing audits conducted and reviewed in the same reporting period. We now track all audits reviewed in the given reporting period, better representing the level of due diligence activity undertaken over the financial year.

Where an audit is not required, we still at minimum continue to utilise Self-Assessment Questionnaires (SAQs) as a method for gathering information, identifying and assessing risk and continually reinforcing expectations.

While there may be times where our expectations are not being met, we are committed to working with our supply chain partners to achieve change over time. If a supplier is unwilling to remedy breaches, David Jones has the right to terminate the trading arrangement if required.

No instances of modern slavery were identified through AFP audits during the reporting period. However, we did identify broader issues relating to excessive working hours and health and safety, which, if left unaddressed could potentially lead to modern slavery practices. The following section explains how we are working to address these issues.

Figure 11: Summary of our Approved Factory Program for FY23 across private label⁹



⁹ Includes all categories of merchandise: Fashion, General Merchandise, Beauty and Food

Understanding critical non compliances with our Supplier Code of Conduct supports David Jones to identify potential indicators and supports broader modern slavery risk management.

ADDRESSING CRITICAL ISSUES IDENTIFIED THROUGH AUDITS

In FY23, 21 critical non-compliances with our Supplier Code of Conduct (**SCoC**) were found during audit reviews in our AFP. The main critical issues found in AFP Tier 1 factory audits were OH&S fire safety related issues (62%) and excessive working hours (19%). While most of these non-compliances are not necessarily examples of modern slavery, understanding these risks supports David Jones in identifying potential indicators and supports broader modern slavery risk management. There was one critical non-compliance related to freely chosen employment, an issue that has a higher potential connection to modern slavery, as it would exist on the continuum of exploitation¹⁰. We investigated further and were satisfied with the third-party audit, showing it was adequately remediated and processes put in place to ensure this doesn't occur again in the future.

There has been a significant increase in the critical non-compliances found during this reporting period (compared with 6 in FY22). This correlates to the

increase in audits undertaken and reviewed and so as a result, more critical non-compliances were captured. However, it is important to note the percentage of critical non-compliances closed (within the reporting period) has also increased from 17% in FY22 to 43% in FY23.

Table 7: Number of critical non-compliances, by type.

Critical Non-compliance Category	No. of Critical Non-compliances in FY23	Critical Non-compliance Description
Safety & Hygienic Conditions	13	Included issues such as appropriate Personal Protective Equipment accessibility, fire alarms and fire drill planning
Working Hours	4	Instances of excessive overtime
Business ethics	1	Maintaining an up-to-date business/factory licence
Environment	1	Handling of hazardous waste
Freely chosen employment	1	Initial medical fees paid during the recruitment process by workers. These fees have since been repaid with a new process established to ensure medical fees are paid directly to the hospital to the supplier
Living Wages & Benefits	1	Providing formal verification of wage data
TOTAL	21	

¹⁰ Australian Government Guidance for Reporting Entities.

All of our concession arrangements, third-party brands and private label suppliers are bound by various sets of contractual arrangements. We use these arrangements as part of our modern slavery risk management.

OTHER CRITICAL CONTROLS TO MONITOR AND MANAGE MODERN SLAVERY RISKS IN OUR SUPPLY CHAIN, INCLUDING THIRD-PARTY BRANDS

Spotlight Update

Process for Responding to Critical Non-Compliances

In our last statement we shared progress on the development of an internal resource for dealing with critical non-compliances. This document, now finalised, includes an end-to-end process for engaging stakeholders (such as buyers, suppliers and factories), developing agreed corrective action plans, monitoring progress and escalation where commitments are not being fulfilled.

During the reporting period, we have been able to utilise this guidance to improve the way we address and manage our critical non-compliances and to ensure that we are providing clear and consistent directions to our suppliers and factories. These guiding principles have provided the foundations for a framework for decision-making and action. We will continue to review and refine this process to ensure we are effectively managing the most serious non-compliances and respecting the human rights of factory workers within our supply chains.

All of our concession arrangements, third-party brands and private label suppliers are bound by various sets of contractual arrangements. We use these arrangements as part of our modern slavery risk management.

For example, where a private label supplier is manufacturing goods that will be sold under the David Jones brand they must, under the David Jones Standard Supply Terms:

- a) Permit David Jones (or its agent) to inspect the supplier's factories or facilities where the goods are being manufactured to ensure compliance with both laws and David Jones standards;
- b) Provide David Jones with full contact details for any sub-contractors engaged or assisting in the manufacturing of the David Jones goods and/or any components of the David Jones goods so David Jones can conduct its own due diligence in relation to such sub-contractors; and
- c) Only source raw materials that comply with the specifications provided by David Jones.

For third-party and concession arrangements, reference to the Supplier Code of Conduct is

included in contracts and application forms for new suppliers. We continue to review these processes and look to update in a tiered approach depending on the risk level for modern slavery management.

In this reporting period we also maintained controls and utilised important tools to monitor and manage modern slavery risks in our private label supply chain. These included:

- Utilising the Supplier Risk Assessment Tool (Radar) on the SEDEX platform, alongside our AFP onboarding process.
- Maintaining a Critical Issues Tracking tool where our Ethical Sourcing Team track critical issues within our AFP. The tool is then used during internal non-compliance meetings to monitor and drive remedial action with suppliers.
- Maintaining the de-registration list for factories that have been off-boarded due to unresolved critical issues or unresponsive to remedial actions. The list can then be used to cross-check applications for new factories and to prevent relisting those deemed unsuitable and inappropriate based on historical evidence.

We continue to explore processes and systems to strengthen our controls as part of our initial onboarding and continuous monitoring of our suppliers and their factories.

We acknowledge the greater challenges in identifying, evaluating and tackling risks of modern slavery within the supply chain of products supplied by third-party brands, given David Jones has no direct nor contractual relationship with those third-party supply chains. Though many suppliers to David Jones are global and high-profile brands, David Jones is aware that a portion of these third-party suppliers are also subject to modern slavery reporting requirements.

The wide assortment of brands that use a complex array of factories, materials, distributors and extended services makes the process of analysing and influencing the product supply chains for multiple third-party brands difficult. However, the David Jones Supplier Code of Conduct still forms part of the engagement process for all new third-party brand suppliers. We note that some new suppliers have equivalent Codes, with these being mutually recognised in lieu of the David Jones' Code if deemed appropriate to do so by the Ethical Sourcing & Legal Team.

OUR TRAINING AND AWARENESS RAISING

David Jones continues to engage with our team members, suppliers and branded partners through a number of avenues to promote the awareness of modern slavery risks. We recognise that internal training is especially critical for the teams that are directly involved in making decisions that inform our modern slavery risk management. We also remain committed to promoting broader modern slavery awareness across our supply chains and operations.

In our previous statement, we committed to developing modern slavery e-learning awareness training for all David Jones team members. In this reporting period, we continued to work on the e-learning module. It has now been developed and we are currently refining the content ahead of launch. This training will ensure team members are aware of modern slavery, including red flags, and what to do if they identify potential instances of modern slavery. During the reporting period, we also commenced work on a curated training session for our newly formed Modern Slavery Lead Committee. We will look to roll out this training in FY24 and provide further details in our next statement. During the reporting period, we also conducted two sessions with key strategic branded partners to discuss what topics and delivery methods they would find beneficial in helping them address their own modern slavery risks.

Case Study



Branded Partner discussions

In our FY22 statement, we committed to developing a modern slavery and broader human rights training for our brand partners. We were unable to deliver this training in the reporting period. However, we did take the opportunity to conduct two sessions with key strategic brand partners; discussing topics and delivery methods they would find beneficial in helping them tackle their own modern slavery risk.

A common challenge outlined by these brand partners was a lack of internal capacity and resources accessible to consume content that is already available. Another clear piece of feedback was the need and interest for industry collaboration, to learn from other businesses and understand how they have practically navigated these complex issues, overcoming challenges to make progress. We will use this valuable feedback to inform future plans to ensure our training programs are relevant and beneficial to our branded partners.

Through these associations and collaborations with external stakeholders, we have gained more confidence that our approach to identifying and addressing modern slavery indicators is on the right track.

OUR COLLABORATION AND STAKEHOLDER ENGAGEMENT

We understand that stakeholder engagement and collaboration are two of the key ways that we can increase our leverage and support our actions to drive progressive change. We therefore engage with NGOs and participate in multi-stakeholder initiatives to not only support their efforts in raising awareness of modern slavery issues but also to share our experiences and learnings and benefit by learning from others.

To build our understanding and capacity and refine our approach to managing our modern slavery risks, we joined collaborative efforts and undertook the below actions in this reporting period;

- Continued as foundation members of the recently expanded National Retailers Association (NRA) ESG committee (previously the NRA Modern Slavery Workgroup.)
- Engaged Pillar Two, a business and human rights advisory firm, to support us in making improvements to better manage our modern slavery risks.
- Facilitated team members to attend seminars and webinars on modern slavery and broader human rights issues.
- Attended the Australian Governments Modern Slavery conference - 'Taking Action Together.'

- Continued our membership with International Accord (Previously Bangladesh Accord): The Accord was relaunched during FY22. David Jones retained their membership to the Accord, stayed informed and aware of remediations being conducted within relevant factories, and remained connected through attending Accord Cluster and Brand Caucus meeting; Continued our membership with SEDEX.
- Continued as signatories to the Pledge Against Forced Labor in the Cotton Sector of Turkmenistan (originally signed in FY20)
- Participated in the 4th Edition of the Chocolate Scorecard (retailer edition)
- Continued consultation with peers, NGO's, multi-stakeholder initiatives (MSI's) and industry experts to understand further actions to assess and address modern slavery risks.
- Monitoring progress of the Independent Review of the Modern Slavery Act.

Through these associations and collaborations with external stakeholders, we have gained more confidence that our approach to identifying and addressing modern slavery indicators is on the right track. This has given us the opportunity to share our experiences with our peers as well learn from them.

We recognise the importance of external collaborations and engaging with a diverse range of stakeholders.

Spotlight

Membership Updates

Due to the changes in the business during the reporting period, we took the opportunity to review memberships that David Jones was holding relating to modern slavery and broader human rights issues. The review prioritised shared memberships under our previous owner, WHL. David Jones decided to pause and re-assess its memberships including those with UN Global Compact (UNGC) and Ethical Trade Initiative (ETI) in FY23.

We recognise the importance of external collaborations and engaging with a diverse range of stakeholders, including NGOs, MSIs and other organisations to improve our knowledge and actions in assessing and addressing modern slavery risks and will continue to explore future collaborations and memberships.

Cotton Campaign

David Jones was a signatory of Cotton Campaign's Uzbek Cotton Pledge involving signatories globally declaring an embargo on the use of Uzbek cotton in their products until state-imposed forced labour could be eliminated.

The Cotton Campaign lifted their call for an embargo on Uzbek cotton in FY22 and this demonstrates the power of unity and collective making progress in addressing modern slavery risks. However, this does not mean modern slavery and human rights risks have been completely eliminated in Uzbekistan and as a result, David Jones remains vigilant.

Baptist World Aid Special Edition Ethical Fashion Report

In April 2023, Baptist World Aid published a special edition of their Ethical Fashion Report titled What's Changed in 10 Years, to acknowledge the 10th anniversary of the Rana Plaza disaster. The report compared their research findings from 2013 to 2022. David Jones was mentioned in their top 5 most improved companies when compared with our peers.

OUR GRIEVANCE MECHANISMS AND REMEDIATION

Our grievance mechanisms and policies

David Jones has internal and external grievance channels to enable concerns to be raised by our staff, workers in our supply chain, customers, partners, and the general public.

Grievances relating to modern slavery or broader human rights risks such as the 'physical conditions of work' can be raised by David Jones staff directly with our Human Resources Team as outlined in our Grievance and Dispute Resolution Policy. The Grievance and Dispute Resolution Policy states that team members can raise any personal grievances related to their work or work environment. David Jones also has an externally managed, independent, ethics hotline and ethics email address through which issues can be raised by either staff or by employees of suppliers where they will be investigated confidentially in accordance with our Whistleblower Policy. If the concern is raised through our Whistleblower Policy, all reasonable steps will be taken to protect the identity of the person raising the concern with a zero tolerance for any form of retaliation, harassment or intimidation against the Whistleblower in accordance with our regulatory obligations.

Within our supply chain, grievances can also be raised via our Ethical Sourcing email address listed in our Supplier Code of Conduct. Grievances are assessed and managed by our Legal and Ethical Sourcing teams to ensure outcomes and remedies are provided.

Our Ethics Hotline

Whilst David Jones strives to be an ethical business with robust policies and procedures to reduce the likelihood of causing, contributing to or being directly linked to adverse human rights impacts, including modern slavery, instances of ethical misconduct may still arise. We recognise that it is important that team members, suppliers and contractors have an opportunity to report their concerns safely, confidentially, and without fear of retribution.

David Jones provides this opportunity through our "Ethics Hotline". The Ethics Hotline is an important tool that we use to help identify potential instances of modern slavery, relevant to our business. Fundamentally, the purpose of the Ethics Hotline is to enable us to investigate these instances appropriately and to take remedial action as necessary.

The Ethics Hotline provides a facility for suspicious activities such as the following to be anonymously reported and investigated:

- Improper conduct such as an actual or potential crime, failing to comply with legal obligations or jeopardising health and safety;
- Highly sensitive issues in the workplace such as sexual harassment, bullying or racism;
- Disregard for internal policies or abuse of company property;
- Supply chain irregularities such as collusion or offering kickbacks to gain a tender;
- Abuse of authority such as using a position of power against team members or for personal gain; and

- Concerns or suspicions of improper or illegal use and treatment of workers within David Jones operations supply chain partners, including cases of suspected modern slavery.

All matters reported to the Ethics Hotline are referred to a member of our Legal, Risk and Compliance (LRC) team will analyse the information received and decide whether to conduct a formal and in-depth investigation of the matter. This includes whether to refer the disclosure to another person or body, internal or external to David Jones, if that disclosure could be investigated or dealt with more appropriately. We have in place an escalation structure which ensures that in the event the complaint was to a relate to a member or the LRC team, the complaint would instead be referred to another senior stakeholder.

All reports made to the Ethics Hotline, including those related to modern slavery, are reviewed and where necessary investigated in a timely manner and appropriately documented. Where needed, we also ensure that we keep the disclosing party (to the extent that they can be contacted) and any other relevant stakeholders regularly updated regarding the status, expected timeframes and outcomes of the review or investigation. All appropriate persons appointed to conduct investigations have access to all records, data and information relevant to the investigation, subject to rigorous confidentiality protections. Employees of David Jones about whom reports have been made will generally be given the opportunity to respond to the relevant allegations made.

During the reporting period, we received a total of 21 concerns reported through our Ethics Hotline. The nature of these concerns pertained to workplace relations or personal matters only.

Spotlight Update

Supplier Grievance Mechanisms

In our FY22 Statement, we shared an update in relation to a grievance mechanism webinar that the Ethical Sourcing team hosted in April 2022. As part of this, we deployed a post-webinar survey to all suppliers¹¹ for them to self-assess their current procedures against the best-practice principles shared during the webinar. The results of the survey showed that suppliers, including particular factories, rate themselves highly, and at that time we decided that an appropriate next step would be to arrange independent assessments.

We were unable to launch these during FY23, but we do recognise and understand the importance of continuing this work with our suppliers and factories.

During FY24, we will check back with these suppliers to ensure their grievance mechanisms are still in place, then building on from that assessment, we plan to conduct worker surveys in FY25 to verify the findings.

¹¹ Private Label supplier defined as all parties that provide merchandise that is sold by David Jones, under trademarks registered to David Jones.

Our supplier grievance remediation policy

David Jones recognises the importance of providing access to remedy as described in the UNGPs. The UNGPs set out expectations for businesses to respect human rights and they expect that businesses establish or participate in effective operational-level grievance mechanisms that enable the identification, remediation and remedy in line with the UNGPs of any adverse human rights impacts.

In FY22 David Jones finalised its grievance remediation policy for factory grievances of private label factories, titled 'Factory Grievances - Remediation Procedure'. This document outlines steps that suppliers should take to remediate worker grievances. This policy also provides guidance for the role that David Jones plays in supporting suppliers as they address factory level grievances. The remediation process outlined within provides a complete step-by-step guide for the Ethical Sourcing Team, starting from when a grievance is first received, through to the completion of all subsequent stages to work toward effective remediation.

This procedure includes:

- How an issue or grievance is identified, captured, assessed and escalated;
- How issues may be investigated;
- How remediation actions will be developed and agreed upon, which may include legal considerations;
- How the procedure is designed to protect the complainant's anonymity in order to prevent possible retaliation from employers or individual workers; and

- Any follow-up training and monitoring required to ensure closure of the issue and to ensure no future harm to others.

The development of this procedure is an important policy within the Ethical Sourcing Program. It promotes effective mechanisms for factory-level grievances to be raised, investigated and remediated, including grievances that represent or are indicators of modern slavery. In FY23, no grievances were received or remediated through this remediation procedure.

Where we identify that we have caused or contributed to adverse human rights impacts, including modern slavery, we are committed to providing or participating in remediation. To date, we have taken steps to address non-compliances found through our AFP, supplier agreements, codes and policies and instances of work-related violations, but none were identified as instances of modern slavery.

The knowledge acquired through developing this remediation process has been used to support the remediation of all types of non-compliance across our AFP. It has provided our Ethical Sourcing Team with added skills and understanding of issues and the challenging processes that may be involved in identifying and managing precarious situations, as well as how to provide or support the provision of adequate remedy to victims.

Customer complaints escalation process

As above, whilst David Jones strives to be an ethical business, with robust policies and procedures to reduce the likelihood of our involvement in adverse human rights impacts, including modern slavery, instances of ethical misconduct may still arise. David Jones also recognises the importance of ensuring that there is a source of escalation for risks and incidents, including modern slavery, identified by our customers. A risk may be identified by a customer following an in-store experience, following an interaction with marketing or promotional content, in the course of making or receiving a purchase, or in other public forums including social media.

The primary point of contact for our customers with any such concern is through any of the available points of contact with David Jones' Customer Care team. This team will determine the appropriate course of action in accordance with internal policies and will refer the matter internally as appropriate, keeping the customer informed of the matter to the extent possible.

As above, all investigations into customer complaints will be dealt with fairly, in a timely manner and be appropriately documented. During the reporting period no concerns were raised by customers to the Customer Care team related to modern slavery.



Assessing the Effectiveness of our Modern Slavery Risk Response

We understand that a continuous improvement approach is needed to maintain a strong response to modern slavery risk management. As such, we are committed to continuously improving our methods of assessing and addressing our modern slavery risks. We do this by assessing the effectiveness of our actions to help us to identify areas for improvement.

Review of our modern slavery risk management

In the reporting period, David Jones engaged Pillar Two, a specialist business and human rights advisory firm, to review our current modern slavery risk management to ensure it continues to be fit for purpose as we transition to a stand-alone business under new ownership. The purpose of the project was to identify gaps and opportunities in the six UNGPs categories below, and develop a roadmap to guide our response over the next one to five years:

- Policy commitment
- Identifying and assessing risks
- Integrating responses and addressing risks
- Tracking effectiveness
- Communicating actions
- Grievance mechanisms and remediation

These were reviewed against standards for business management of human rights risks, including modern slavery risks, set out in the UN Guiding Principles on Business and Human Rights (UNGPs), as well as a high-level review of external stakeholder expectations (including investors, civil society organizations and business partners). Six key functions across the business were interviewed including Ethical Sourcing, Non-Trade Procurement, Facilities, Supply Chain, People & Culture and Legal teams.

The report outlined 18 recommendations (based on the gaps identified) to further strengthen David Jones' modern slavery risk management approach, with ten recommendations highlighted as key priorities. Priority areas included strengthening

controls to better identify, manage and address our risks, as well as a focus on tracking effectiveness and building internal capacity. These recommendations were presented as a 3 stage roadmap for implementation. The stage 1 recommendation has formed the basis of our commitments for FY24.

Further to this, the gap analysis and roadmap report will form the foundations of a 3-5 year modern slavery strategy, which will continue to be developed over the next 12 months.

This review has helped us to understand key areas for improvement and determine key immediate and long-term actions.

Planned review of our framework for assessing effectiveness in FY2024

We continually monitor our key programs and activities using a combination of both quantitative and qualitative measures. We understand these indicators need to be reviewed and adapted as our actions mature and as our understanding of modern slavery continues to develop and evolve.

In FY24, we have a planned review of our effectiveness framework, which will include an assessment of our existing indicators, as well as our full risk management approach to develop a comprehensive set of qualitative and quantitative indicators to support us in continuing to assess our effectiveness. We will provide further information in our next statement.

How we measured our outcomes in this reporting period

Due to the changes in our corporate structure, we have primarily focused in the reporting period on undertaking key foundational steps to set us up for future years to respond to modern slavery risks. This included the overarching gap analysis and review of our modern slavery risk management. During the reporting period, we also continued to measure our effectiveness in key areas against our existing indicators. As we are planning a full review of our approach to tracking effectiveness, these indicators will evolve with our overarching framework.

Table 8: Below are the measures we utilise to assess our effectiveness

Area	Objectives	Effectiveness indicators	Outcomes in the reporting period
Policies & contractual controls	<ul style="list-style-type: none"> Ensure policies set clear expectations around preventing and addressing all forms of modern slavery across our operations and supply chains Ensure policies are meaningfully implemented Policies to provide modern slavery prevention and protection for workers against it 	<ul style="list-style-type: none"> Policies reviewed on regular basis (internal and external) Percentage of suppliers and staff covered by agreements/ contracts and our codes Percentage of factories audited against compliance with relevant policies Staff have ready access to policies related to modern slavery Suppliers have ready access to policies related to modern slavery 	Information on outcomes in the reporting period can be found on page 23,28-29.
Risk assessments	<ul style="list-style-type: none"> Understanding and Monitoring our exposure to modern slavery risks 	<ul style="list-style-type: none"> Number of supply chain actors traced Number of risk assessments conducted Number of supplier sites in high and extreme risk ratings 	Information on outcomes in the reporting period can be found on page 11.
Awareness raising and capacity building	<ul style="list-style-type: none"> Modern slavery awareness training for internal staff and suppliers to ensure appropriate staff have knowledge of risks, prevention and remediation Improve external awareness and transparency relating to modern slavery risks 	<ul style="list-style-type: none"> Number of staff trained on modern slavery and broader human rights risks Number of suppliers trained on modern slavery and broader human rights risks External public assessments of our public reporting through NGO's or multi-stakeholder initiatives (MSI's) 	Information on outcomes in the reporting period can be found on page 31 and 33.
Audits and issue monitoring	<ul style="list-style-type: none"> Supply chain monitoring and assurance (AFP) Ensure quality and effectiveness of audit types Audit corrective actions undertaken, improved, or closed 	<ul style="list-style-type: none"> Percentage of factories approved in our auditing program Number of critical issues identified Number of modern slavery issues identified Number of Non-Trade Procurement (NTP) suppliers who publish modern slavery statements 	Information on outcomes in the reporting period can be found on page 29-30.
Remediation processes	<ul style="list-style-type: none"> Access to effective grievance mechanisms for workers in our operations and in our supply chains Grievances effectively remediated Required actions taken against actual modern slavery violations 	<ul style="list-style-type: none"> Number of audit issues remediated in line with AFP criteria Remediation of any actual modern slavery instances 	Information on outcomes in the reporting period can be found on page 29.



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"Service is becoming the greatest differentiator of all within the physical retail environment. Younger generations in particular are demanding a customer-centric experience that is carefully tailored to their wants and needs, and rejecting the hard sell approach"

THE FUTURE COLLECTIVE.
Reimagining the role of the department store.

Flexibility
Time being it
Time is important

As an influential retailer we have a responsibility to evolve with emerging social and cultural values of the environment which we exist in.

Blur traditional boundaries and celebrate the journey. Create a flexible built space to allow for unexpected disruptions & immersion.

CIRCULAR

Flexibility
Adaptable Plan
Movable Walls
Single Floor
Cooling Grid System

Imagining
Ever-changing Sp
Innovation
Curved ramps to meet
trends in social design
Educational spaces to
build customer
experience

Sustainability
Improving our environ
ment
& Adaptable
space
& Reducin

Revisiting Retail Therapy
Retail therapy is a psychological concept that refers to the act of shopping to improve one's mood or to deal with emotional distress. It is often used to describe the act of buying things to feel better about oneself or to deal with a difficult situation.

Have an emotional
brand have a
value

Exceptional brand experiences still hold value, but must be compelling enough to make shoppers leave home when everything is so readily available online.
- Laura Saunter WGSN

Looking Ahead

We continue to improve and strengthen our actions in tackling modern slavery and broader human rights.

Utilising the learnings from FY23 as well as learning from the key projects undertaken (including the Gap Analysis and refreshed Risk Assessment), we continue to improve and strengthen our actions in tackling modern slavery and broader human rights. We have set out the following commitments to be implemented and progressed in FY24:

Table 9: Our FY2024 commitments

Area	FY2024 Commitments
Policy Commitment	Refresh our Supplier Code of Conduct.
Identifying & Assessing Risks	Refresh our modern slavery risk assessment and update our risk profile.
	Trial expanding our Ethical Sourcing Program to include select Non-Trade Procurement suppliers through a pilot.
	Review of our traceability process and current data to further map our DJPL supply chain beyond Tier 1, focusing on a high-risk area.
Managing and Addressing Risks	Develop and deliver targeted training for the Modern Slavery Lead Committee.
	Undertake an assessment of key modern slavery training needs by business area.
	Develop and implement processes to ensure that supplier contract renewals include an express reference to modern slavery and the Supplier Code of Conduct.
	Undertake targeted supplier deep dives with labour-hire providers engaged by David Jones to better understand potential risks and controls in place.
Tracking Effectiveness	Review our effectiveness framework and develop a series of qualitative and quantitative indicators to track progress aligned with our planned activities.

We look forward to reporting on our progress against these commitments in our next Modern Slavery Statement.

David Jones will continue to closely follow the Government's review and implementation of any recommendations from the statutory review of the Modern Slavery Act 2018 (Cth). We remain alert and agile to ensure our modern slavery risk management and reporting frameworks are adequate to potential future changes in the legislation as well as evolving stakeholder expectations, including consumers, civil society, workers' associations, suppliers and investors. We are also cognisant of developments around modern slavery and broader human rights due diligence legislation globally and we will continue to monitor these to ensure we understand what this means for our operations and supply chains.



Consultation and Approval Process

This Statement has been reviewed and approved by the board of ACP as the highest Australian holding company of David Jones and all subsidiary entities.

David Jones and its subsidiaries operate and are managed as an integrated group with overarching policies, standards, systems and processes designed to be applied to our owned and controlled entities. In accordance with this operating model, we engaged with our Modern Slavery Lead Committee which continues to evolve and strengthen our approach to managing and mitigating our modern slavery risk. The Lead Committee includes representatives from Corporate Communications, Merchandise, Supply Chain and Non-Trade Procurement, Legal, Risk and Compliance, Human Resources (People), Facilities, and Sustainability.

Prior to submission to the ACP boards and David Jones CEO for review and approval, the Statement was reviewed by each member of the Modern Slavery Lead Committee including the General Manager of Supply Chain and Non-Trade Procurement, Head of Facilities, Head of Corporate Communications and Head of Sustainability. In addition to members of our Lead Committee, the Statement was also reviewed by the Head of Legal, Risk & Compliance and the Chief Marketing Officer.

This Statement has been reviewed and approved by the board of ACP as the highest Australian holding company of David Jones and all subsidiary entities. Alongside ACP board approval, the CEO of David Jones has also reviewed and signed the Statement.



Appendices

Appendix 1.

Definitions of types of Modern Slavery¹²

Type of exploitation	Definition
Trafficking in Persons	Describes the recruitment, harbouring and movement of a person for exploitation through modern slavery.
Slavery	Describes situations where the offender exercises powers of ownership over the victim, including the power to make a person an object of purchase and use their labour in an unrestricted way.
Servitude	Describes situations where the victim's personal freedom is significantly restricted, and they are not free to stop working or leave their place of work.
Forced Marriage	Describes situations where coercion, threats or deception are used to make a victim marry or where the victim does not understand or is incapable of understanding the nature and effect of the marriage ceremony.
Forced Labour	Describes situations where the victim is either not free to stop working or not free to leave their place of work.
Debt Bondage	Describes situations where the victim's services are pledged as security for a debt and the debt is manifestly excessive or the victim's services are not applied to liquidate the debt, or the length and nature of the services are not limited and defined.
Deceptive Recruiting for Labour of Services	Describes situations where the victim is deceived about whether they will be exploited through a type of modern slavery.
The worst forms of child labour	Describes situations where children are: <ul style="list-style-type: none"> • Exploited through slavery or similar practices, including for sexual exploitation, or • Engaged in hazardous work which may harm their health, safety or morals, or • Used to produce or traffic drugs.

Appendix 2.

List of proprietary brands David Jones owns and considers "Private Label".

Brand Name	Product Category
Alta Linea	Accessories - Men's
Agenda	Accessories - Women's
David Jones	Home Beauty Food Accessories - Women's
David Jones Classic Collection	Home
David Jones Collection	Home Accessories - Men's Apparel - Women's, Men's & Children's
Milana	Accessories - Women's & Men's
Saffron & Clover	Apparel - Children's Accessories - Children's

Appendix 3.

Abbreviations Table

Abbreviations	Detail
ACP	ACP Riley Street Group Pty Ltd
AFP	Approved Factory Program
AU	Australia
CFT	Cross Functional Team
EA	Enterprise Agreement
ESG	Environment, Social & Governance
ETI	Ethical Trade Initiative
FY	Financial Year
ICT	Information Communication Technologies
LC	Lead Committee
LRC	Legal, Risk & Compliance
LY	Last Year
MS	Modern Slavery
MSA	Modern Slavery Act 2018 (Cth)
MSS	Modern Slavery Statement
NTP	Non-Trade Procurement
NZ	New Zealand
SAQ	Self-Assessment Questionnaires
SCoC	Supplier Code of Conduct
UNGPs	UN Guiding Principles on Business Human Rights
VM	Visual Merchandising
WHL	Woolworths Holdings Limited

¹² Definitions are as taken from the official Commonwealth guidance document, Australian Government Guidance for Reporting Entities.

DAVID JONES