

# Shaver Shop Group Limited

## Modern Slavery Statement For the year ended 30 June 2024



### About this statement

Shaver Shop's 2024 Modern Slavery Statement outlines the actions we have taken to consider and assess the risks of modern slavery within our business, operations and supply chain. This report covers the reporting period from 1 July 2023 to 30 June 2024.

This statement has been prepared to meet the requirements of the Modern Slavery Act 2018 (Cth) and has been issued by Shaver Shop Group Limited on behalf of all the Group's reporting and controlled subsidiaries.

This statement has been reviewed and approved by the Shaver Shop Group Limited Board of Directors and was approved on 23 December 2024.



## 1 About us

This modern slavery statement is made pursuant to the *Modern Slavery Act 2018* (Cth), and sets out the actions taken by Shaver Shop Group Limited (ACN 150 747 649) and our subsidiaries (**SSGL, Shaver Shop, Company, we, us or our**) to assess and address modern slavery risks in our operations and supply chains for the financial year ended 30 June 2024. Our company is an Australian and New Zealand speciality retailer of male and female personal grooming products and aspires to be the market leader in personal care and grooming solutions for men and women across Australia and New Zealand.

Shaver Shop was founded in 1986 in Melbourne and retains its national support office in this city. As at 30 June 2024, we operated 123 Shaver Shop stores across Australia and New Zealand. All of Shaver Shop's stores are wholly corporate-owned and operated, which supports our aim to have consistency in values, policies and procedures across all our sites. We offer customers a wide range of quality brands at competitive prices, supported by excellent staff product knowledge and customer service. The Company's specialist knowledge and experience over several decades in the personal care and grooming segments have enabled it to develop strong supplier relationships and negotiate exclusive access to new product innovation for the Australian and New Zealand markets.

To support its store network, Shaver Shop operates centralised Support Office functions in Melbourne. These functions oversee operations for both the Australian and New Zealand markets.

Shaver Shop primarily sources products from major manufacturers who seek to create functional and innovative products to meet customer's needs and wants in the hair removal and personal care product categories. The Company's core range includes male and female hair removal products such as electric shavers, clippers and trimmers, long term hair removal solutions for women and men as well as wet shave items. Complementary to its core product range, Shaver Shop retails various products across the oral care, hair care, massage, air treatment, and female beauty categories.

### Governance structure

Shaver Shop's Board and Audit, Risk and Compliance Committee has ultimate responsibility for establishing and monitoring a framework of risk management across the Group. The Audit, Risk and Compliance Committee assists the Board in its responsibilities relating to:

- Identifying areas of risk and assessing the effectiveness of Shaver Shop's risk management framework;
- Supporting a prudent risk and risk aware approach to business decisions within the Shaver Shop organisation

The Audit, Risk and Compliance Committee is chaired by an Independent non-executive director and meets at least four times per year.

Shaver Shop has a cross functional working group with representatives from Buying and Merchandising, Human Resources and Finance that is working with external consultants and suppliers to help identify modern slavery risks and implementing our modern slavery compliance activities. To assist with its risk management and review process, Shaver Shop utilises a specialised third-party software solution to assist with supply chain due diligence and for assessing potential modern slavery risks within its supply chain.

The governance structure supporting Shaver Shop's approach to managing modern slavery risks within its supply chain are set out below:



### Our operations and reporting entities

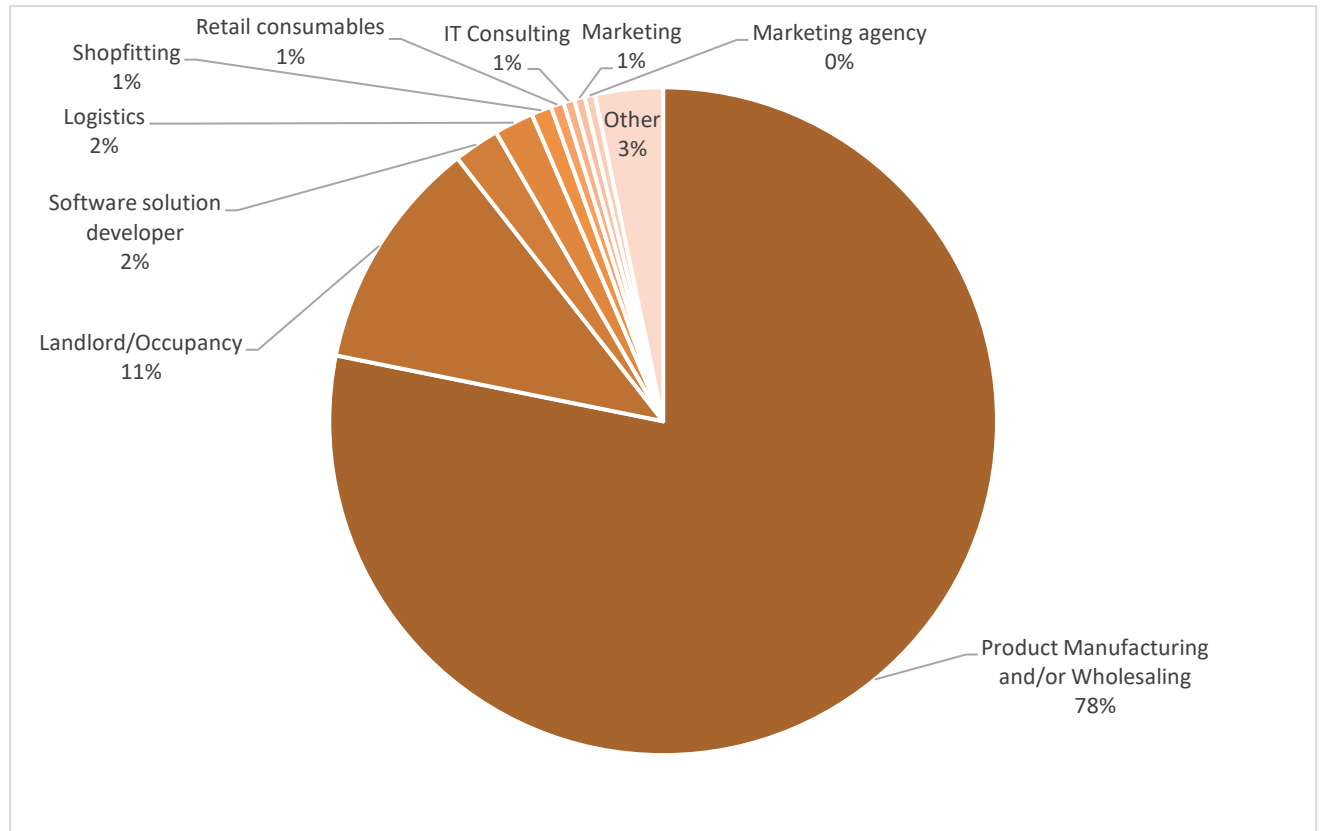
SSGL is a holding company with no operations other than shareholder relations and shareholder management. SSGL wholly owns Lavomer Riah Pty Ltd (**LRPL**) which is also a non-operating holding company. Shaver Shop Pty Ltd (**SSPL**) is wholly owned by LRPL and is the main operating subsidiary in Australia. SSPL is a party to all leases, employs team members in Australia, generates sales and purchases and sells trading stock. Shaver Shop (New Zealand) Limited (**SSNZ**) is wholly owned by SSGL and is the operating subsidiary in New Zealand. SSNZ performs the equivalent functions as SSPL in New Zealand but SSPL provides the supporting office activities such as human resources, compliance, finance, procurement and general management. SSNZ employs approximately 40-50 people. There were no changes in our legal structure or the nature of our operations during the year.

As at 30 June 2024, Shaver Shop employed approximately 756 staff, in 123 locations around Australia and New Zealand, including our national support office in Chadstone, Victoria. These staff are employed full time (34% of team members), part time (8% of team members) and on a casual basis (59% of team members). They hold a variety of positions, from staffing our retail premises, to managing stock to head office executive and administrative roles. Our workforce scales up significantly in the lead up to our key trading periods around Black Friday (late November) and through the Christmas and Boxing Day promotions in December with the addition of casual staff to help meet increased customer demand within our stores. In the 2024 financial year, Shaver Shop made payments of approximately \$37.4 million in relation to employment and employment related costs.

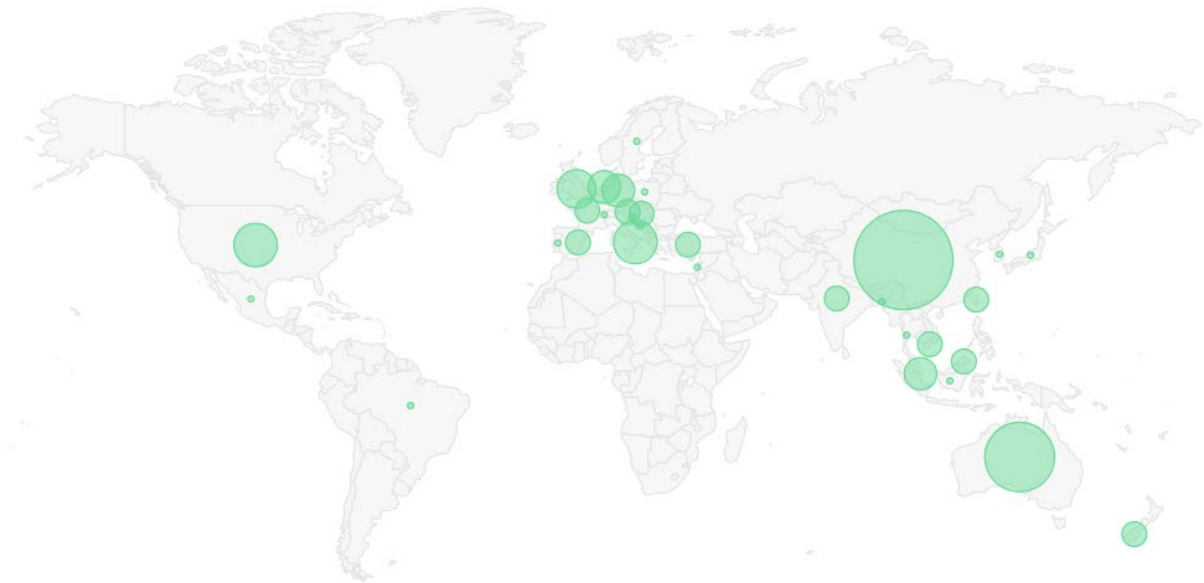
Our primary operations relate to the purchase and resale of personal care and grooming products for men and women. Our stores are largely located within large shopping centres and we operate online through our own websites as well as through select online marketplaces. Online orders are generally allocated to the nearest store to the customer's delivery address where the order is picked, packed and despatched by our retail store team members.

Procurement and other corporate and administrative responsibilities for the group are managed centrally at Shaver Shop's support office. SSNZ procures the majority of its products from New Zealand distributors.

### Key supplier categories



Shaver Shop had approximately 400 active suppliers in the 2024 financial year with approximately \$208 million in total procurement expenditure (excluding employee related costs). The significant majority of Shaver Shop's purchases are for products that Shaver Shop resells through its stores and online with 78% of all purchases related to this category. We have approximately 50 key suppliers from which we source products to resell to our customers. These products are manufactured or assembled in many different countries around the world including: China, Germany, the United Kingdom, the United States of America, Australia, Italy and Japan. Based on the completed modern slavery questionnaires up to 30 June 2024, the geographic footprint of our suppliers is shown below:



Our product suppliers are generally either the subsidiaries of large multinational organisations that develop and manufacture personal care and grooming appliances or licenced distributors for these global companies. During the period covered by this report, Shaver Shop embarked on a strategy to source and launch its first private brand range of grooming and personal care products where Shaver Shop is the importer of these products. These products are sourced from suppliers in China and Europe and have been through a vetting process, including the use of 3<sup>rd</sup> party auditors, to provide comfort that these suppliers are not involved in activities inconsistent with our Supplier Charter. Prior to doing business with these private label suppliers, each supplier also confirmed they would comply with Shaver Shop's supplier charter.

Shaver Shop's second largest category of supply chain expenditure (11% of total expenditure) are lease payments for our retail stores as well as for our national support office. Shaver Shop operates predominantly in large shopping centres in major metropolitan and regional cities across Australia and New Zealand. Shaver Shop's landlords are predominantly divisions of large, publicly listed entities that own and operate a number of shopping centres across Australia and New Zealand.

The remaining 11% of total purchases (excluding employment related expenditure) is spread across freight and logistics providers, marketing agencies and advertising companies, IT, telecommunications and software development companies as well as those businesses that provide Shaver Shop with shop fitting services and retail consumables that are critical for operating our retail stores and offices.

## 2 The risks of modern slavery in our operations and supply chain

As SSGL and LRPL are holding companies, there are inherently lower modern slavery risks in their operations and supply chains. SSPL and SSNZ operate in the same sector and have many shared suppliers, and therefore, consistent with prior years, we have provided a single, consolidated description of modern slavery risks in this Part 2.

In seeking to identify the modern slavery risks in our operations and supply chain, we considered the potential for our business to cause, contribute to, or be directly linked to modern slavery. In doing so, we looked at:

- the risk that our operations may directly result in modern slavery practices;

- the risk that our operations and/or actions in our supply chains contribute to modern slavery; and
- the risk that our operations, products or services are connected to modern slavery through the activities of another entity, including business partners.

We are conscious that our modern slavery risks continue to change over time as our business changes. The adoption of new strategies, introduction of new suppliers or Shaver Shop's expansion into new product categories may result in our business being exposed to new modern slavery risks associated with geographic locations in our supply chain. We are seeking to be aware of these changing risks by engaging with our supplier partners and seeking to understand these potential risk areas and ensuring our business processes and practices adapt to mitigate these risks.

### **Potential modern slavery risks in our operations**

Shaver Shop employs approximately 750 team members across our operations in Australia and New Zealand. These team members are employed on individual employment agreements and are provided with written contracts with most of our team members being covered by the General Retail Industry Award 2020 in Australia. Our New Zealand team members are also employed on individual employment agreements with written contracts.

We believe the risk of modern slavery in our workforce remains low. This is largely due to:

- a) our values as a business and our recognition of the importance of our team members in delivering a unique retail experience for our customers
- b) the policies and procedures we have implemented within our company to ensure employee rights are protected
- c) regulations that exist within the retail sector
- d) the contractual rights of our employees, including the freedom to join or not join a union
- e) the payment of casual staff based on clock in and out times and accrual of time in lieu for salaried staff members

Our full-time and part-time staff are paid above the rates outlined in the General Retail Industry Award. Shaver Shop employs all team members directly and does not use labour hire or similar firms. Shaver Shop prides itself on having unparalleled product knowledge in our core categories and providing exceptional customer service. We recognise that our team members are therefore Shaver Shop's most important assets. Accordingly, Shaver Shop regularly invests in education and training of our team to ensure we continue to provide the exceptional customer experience we have become known for. In addition to product and sales-based education, our training program includes reviewing Shaver Shop's suite of policies including its:

- a) [Code of Business Ethics](#)
- b) [Diversity Policy](#)
- c) [Whistleblowing Policy](#)
- d) [Anti-bribery and Corruption Policy](#)
- e) [Modern Slavery Policy](#)

The policies support our core values which are:

- a) Customer focus
- b) Drive for results
- c) Accountability
- d) Adaptability



In late FY24, Shaver Shop planned and subsequently conducted a Human Resources roadshow, where our HR Director visited each state to emphasize the importance of aligning with Shaver Shop's core values. During the roadshow, our HR Director reinforced key policies and employment related focus areas and communicated expectations regarding compliance with company policies, fostering a culture of accountability and strong governance within our human resources practices.

### Potential modern slavery risks in our supply chain

Shaver Shop's top 10 stock suppliers make up approximately 69% of its total procurement expenditure (excluding employment related expenditure). While these suppliers are mostly the local subsidiaries of reputable global companies, we recognise that they may have risks of modern slavery in their own supply chains given their size, global presence, and mass variety of product offerings. A large proportion of the stock suppliers that we deal with have operations and supply chains in the Asia Pacific region which is generally known to have higher modern slavery risks. As a result, Shaver Shop is aware that it could be linked to modern slavery within all levels of our stock supply chain.

In line with the United Nations Guiding Principles on Business and Human Rights, we maintain a risk-based approach in assessing the human rights risks in our supply chain. We are also aware that the consumer electronics industry has an elevated risk level in relation to modern slavery risks whether it be from the potential use of child labour in the sourcing of raw materials, to the use of forced labour and excessive working hours in the manufacture and assembly of parts and finished products. Given our largest suppliers manufacture in many countries around the world, we believe there is a higher inherent risk with these suppliers. The table below describes the inherent modern slavery risks in our main procurement categories. The descriptions are also informed by our review of some of the modern slavery statements published by our suppliers and their modern slavery questionnaire responses.

Sector	Modern slavery risks <sup>1</sup>
Stock	<p>The stock that we supply to customers is our greatest modern slavery risk, including forced labour and debt bondage, by virtue of the utilisation of low skilled labourers in manufacturing facilities as well as in the sourcing of raw materials. This stock is manufactured in a variety of different locations, including China, Germany, United Kingdom, United States, Italy, Israel, Australia and Japan. Although modern slavery exists in all countries, the risks are heightened in jurisdictions where worker protections are weaker. We understand many of these suppliers source parts or inputs to their products from many other suppliers which are then assembled into a finished product that is sold to Shaver Shop.</p> <p>Because the bulk of our stock purchases are for electrical appliances that are produced in large volumes, there are strict ANZ codes of compliance that our suppliers and Shaver Shop must adhere to in order to meet required safety standards. We understand that the manufacture and/or assembly of these products (in most cases) is a highly automated process using robotics and automation to drive efficiency and consistency.</p> <p>We observed that some of our suppliers that manufacture in lower risk countries are likely to rely on component products sourced from higher risk countries. For example, a European headquartered manufacturer of electronic products described in their modern slavery statement that it is identifying smelters of cobalt, tin, tantalum, tungsten and gold in its supply chain and has committed to not purchasing raw materials, subassemblies or suppliers found to contain conflict minerals. A US headquartered supplier has operations in approximately 70 countries, including 107 manufacturing sites, and products sold in more than 180 countries around the world. Its supply chain comprises tens of thousands of suppliers but has no on the ground manufacturing sites within Australia.. For our wholesale suppliers, their connection to modern slavery risks are mainly through the finished products that they source from third parties and sell to customers like Shaver Shop and in the shipping and logistics of the products. The risks can reach straight through to the raw materials that are used to build components in these electrical products such as Lithium-ion batteries, transistors and other electrical components. These examples demonstrate how modern slavery risks may exist further down the supply chain of our direct suppliers.</p>
Premises	<p>Some of our major suppliers are our landlords including some of the largest shopping centre landlords across Australia and New Zealand. They provide us with premises, as well as maintaining common areas and security. We appreciate that the construction, maintenance and cleaning of common areas is exposed to modern slavery risk. Typically, security services are also provided by our landlords, which is also an</p>

<sup>1</sup> The risks outlined in this table are general and not relate to any actual instances of modern slavery in the supply chain of our first tier suppliers.

	<p>industry that has been linked to modern slavery. Subcontracting and labour-hire arrangements in the private security industry have been reported in the media as leading to slavery-like conditions for workers.</p> <p>We have observed that our largest landlord has approximately 3,000 employees with approximately one-third being on casual contracts with higher risk areas being with labour hire services such as cleaning and security. We also noted that this landlord had engaged with higher risk cleaning suppliers at a leadership level to understand their approach to modern slavery and any issues or grievances they received during the year.<sup>2</sup>.</p> <p>Whilst there is inherent risk with this area of our supply chain, based on the feedback received so far from landlords, many of which are also required to report on their own modern slavery compliance, we have been comforted by their understanding of, and commitment to, addressing modern slavery risks in their businesses and supply chains.</p>
Shopfitting	<p>The supply chain of our supplier of shopfitting services includes construction parts, materials and subcontracted services. There are increased inherent risks in the raw material inputs in construction parts and materials, including steel, stone, timber and flooring products. These risks are heightened where they are sourced from countries with a higher modern slavery risks.</p>
Cleaning	<p>Workers in the cleaning sector do not require qualifications and as such the workforce is often low-skilled and are vulnerable to opaque subcontracting arrangements resulting in exploitation and modern slavery. Workers from migrant populations are vulnerable given their limited understanding of their legal rights and limited understanding of English. As a result, those employed in the cleaning industry, who fall into the aforementioned circumstances, have a restricted ability to bargain with their employers, or those with whom they contract.</p> <p>Whilst there is inherent risk in this industry, Shaver Shop does not generally employ external contractors for cleaning its stores. Shaver Shop employs a cleaning contractor for its National Support Office in Melbourne.</p>
Uniforms and promotional products	<p>There are increased risks of modern slavery in the materials used in the production of uniforms e.g. cotton, and in the manufacturing of garments in factories. Factories for clothing manufacturing have been implicated for non-compliance with employment regulations, laws and standards, and many large clothing companies have been found to have such suppliers in their supply chain.</p>
Transport	<p>Most of the products we sell are manufactured overseas and are primarily delivered to local distributors by ship and by air. Shaver Shop purchases substantially all of the products we sell from these local distributors. We understand that there is a significant risk of modern slavery in shipping, which can involve crew being on board for extensive periods and not being able to leave the ship.</p> <p>Shaver Shop engages logistics companies to transfer stock between stores within our store network. We also use transportation companies to deliver online orders to our retail customers. Australia Post is our predominant transportation provider for these services and they provide a comprehensive modern slavery statement each year that we have reviewed.</p> <p>Our largest logistics partner has more than 64,000 employees with more than 4,800 suppliers and is using third party screen assessments and pre-screening to seek to identify higher risk suppliers within its supply chain.</p>
IT equipment and software	<p>Modern slavery risks are present in the supply chains that provide IT companies with the necessary materials to produce electronic goods, and parts of those goods. For example, cobalt is an essential component of rechargeable lithium-ion batteries. More than half of the world's cobalt is mined by the Democratic Republic of Congo, where according to UNICEF, approximately 40,000 miners are children. Another problematic material sourced for IT equipment is mica. India produces 60% of the globe's mica. The most prevalent areas of mica production are in Jharkhand and Bihar where a third of the population in these areas live below the poverty line.</p>

### 3 Actions taken in the 2024 financial year, including due diligence and remediation processes

SSGL and its subsidiaries use the same policies and processes, and therefore, we have provided a single, consolidated description of actions taken to address modern slavery risks in this Part 3.

<sup>2</sup> [Statement #2024-294](#)



Our focus over the last 12 months has been on:

- a) Continuing to review and improve our risk-based approach to managing modern slavery risk in our procurement processes. We issued an additional 21 modern slavery questionnaires (MSQs) to assess the level of modern slavery risk associated with these suppliers and have been actively engaging with those suppliers to better understand risk ratings that were medium or higher. 14 responses were received in FY24. We expect all new suppliers that have completed MSQs to also agree that they have read and agree to adhere to Shaver Shop's Supplier Charter and to notify us without delay in the event of an actual or suspected breach. 100% of suppliers that have responded to our MSQs have also agreed to adhere to our Supplier Charter.
- b) With respect to the suppliers associated with our new private brand sourcing activities, we visited 8 out of the 10 manufacturing facilities in FY24 and engaged third party auditors to attend and audit the site for compliance with amfori Business Social Compliance Initiative (BSCI) Codes of Conduct. This is an international standard that helps to advocate for the protection of social rights across all supply chains. Where report findings identified unacceptable risks, two suppliers were removed from our product sourcing plans. Where report findings identified elevated but acceptable levels of risk, we have been actively engaged with suppliers in better understanding the risk and working with them to better understand their practices, policies and procedures for reducing modern slavery risk exposures in the future. Our investigations and activities to date have not identified any instances of modern slavery and we will continue to enhance our screening and due diligence activities in the future. See the case study below for more detail on our approach to direct sourcing and the steps undertaken to obtain comfort regarding the level of modern slavery risk with our private label suppliers.

#### **Case study – Assessments of private label manufacturing facilities**

Prior to 2024, Shaver Shop's sourced all of the products that it purchases for resale from either local or international distributors. Modern slavery questionnaires have been sent to all of the major distributors of these products with our reliance on responses to these MSQs as well as from distributor's own Modern Slavery Statements.

With the transition to direct sourcing of products from international manufacturers for our private label products, in addition to relying on MSQs and the associated risk ratings from the Ethixbase360 system, we have engaged accredited experts to provide amfori BSCI compliance reports and in many cases our lead procurement executive has personally visited the respective manufacturing facilities in China. In addition to the BSCI compliance reports, we have also sought ISO or similar quality assurances from these suppliers.

All suppliers the Shaver Shop has sourced private label products from have an overall audit rating of Acceptable or better and Shaver Shop is continuing to work with and understand the processes each supplier is undertaking to continuously improve its operations across the relevant BSCI Performance Areas.

- c) Ensuring our store teams are aware and educated with respect to Shaver Shop's core values and updated employment policies and practices. During FY24 Shaver Shop developed and planned an HR roadshow that visited each State across Australia in July and August 2024. The training covered the following legislative updates that were relevant to our team members:
  - a. The Right to Disconnect
  - b. New Casual Employment Conversion Rights
  - c. Discrimination protections for employees and their family experiencing domestic violence
  - d. Amendments to the Sex Discrimination Act including Shaver Shop's approach to presenting bullying, harassment and victimisation

#### e. Paid parental leave

In addition to covering these changes to relevant legislation affecting our team members, Shaver Shop updated our team members regarding our Employee Handbook, updated policies and procedures including our Code of Conduct, as well as the importance of Occupational Health and Safety including incident reporting. We will continue to take steps to ensure our team members are educated and aware of Shaver Shop's expectations with respect to compliance with all relevant regulations, policies and procedures.

As described in our first modern slavery statement, Shaver Shop adopted a Code of Business Ethics, Whistleblower Policy, Anti-Bribery and Corruption Policy and Modern Slavery Policy. These policies, together with Shaver Shop's values continue to set the minimum standards Shaver Shop expects from its employees. In 2021, Shaver Shop adopted and rolled out our Environmental and Social Governance Policy which provides a framework within which Shaver Shop's employees, suppliers and contractors are expected to operate. Shaver Shop has continued to ensure our team members (through annual training) and our suppliers (through ongoing dialogue and where applicable responding to our Modern Slavery Questionnaires) are aware of our expectations for environmental and social governance.

The multi-departmental working group that Shaver Shop created to assist in managing modern slavery and other ethical sourcing risks includes representatives from Buying and Merchandising, Finance and Accounting and Human Resources. Members of this group continued to meet during the reporting period to discuss the progress that was made with suppliers to identify areas of risk.

As noted in our Modern Slavery Policy, any concerns relating to modern slavery risks in our operations or the operations of our business partners must be reported through the same internal communication channels established under our Whistleblowing Policy. Current and former contractors, suppliers and agents are permitted to make a disclosure under our Whistleblowing Policy. We expect and encourage anyone involved with our business to report known or suspected violations of our Modern Slavery Policy and applicable laws, regulations, policies and ethical standards related to modern slavery. Retaliation for raising these concerns is strictly prohibited. Shaver Shop did not receive any whistleblower reports during FY24 that were red flags for modern slavery within our operations or supply chains.

Where our business is found to have caused or contributed to modern slavery, we would take guidance from the United Nations Guiding Principles on Business and Human Rights (UNGPs) to ensure the safety and wellbeing of the victim, provide remedy and ensure that a root cause analysis is undertaken to prevent it from occurring again. Where our business becomes directly linked to modern slavery via the conduct of our business partners, we would seek to prevent and mitigate the impact. The appropriate steps that we take may depend on our leverage, the availability of alternate vendors, the significance of the contractual relationship, the severity and consequence of termination.

## 4 How we assess the effectiveness of our actions

Our Modern Slavery working group is a key mechanism for assessing the effectiveness of our actions. With a cross departmental composition, we are working to ensure modern slavery risks are understood and assessed across our entire business.

As reported in our 2023 Modern Slavery Statement, one of our key focus areas was to increase the number of suppliers that have completed MSQs as well as to ensure suppliers' agreement to adhere to our supplier charter. Our focus in FY24, given the increased perceived risk, was ensuring the new suppliers that are responsible for manufacturing our private label brands completed MSQs and returned acceptable results from external BSCI audits. We expect we will add more suppliers as part of our private label offering in FY25 and intend to maintain and extend the processes implemented in FY24 to appropriately monitor and assess modern slavery risks through this expanding segment of our supply chain.

We also intend to incorporate modern slavery terms and conditions into new supplier contracts and ensure our suppliers agree to comply with our supplier charter.

We intend to deliver the internal engagement training with our team members to ensure our people know how to identify, reduce and report modern slavery and other employment related risks within our organisation.

Where red flags or higher risks are identified, our modern slavery working group will work to investigate and understand the nature, likelihood and severity of the risks that have been raised.

Whilst we are focussed on obtaining results, we realise managing modern slavery risks is an iterative process with the need to be responsive to issues and opportunities as they may arise. Some of our actions are more outcome focussed while others relate to the implementation of agreed policies and practices.

The modern slavery working group will review our progress against our modern slavery plans at least annually and provide an update to the Board on our progress in addressing inherent or actual modern risks in our business.

We will also review, at least annually, our grievance mechanisms (including any whistleblower reports) to identify whether any of the reports reflect modern slavery incidents or risks.

## **5 Consultation with any entities owned or controlled**

During the reporting period, we consulted with our subsidiaries via the modern slavery working group which comprises individuals working across all of our business, including within our operating subsidiaries. They all contributed to our modern slavery project and to the development of this statement.

This statement was approved by the Board of SSGL on 23 December 2024.

Signed

A handwritten signature in black ink, appearing to be 'C. Fox', with a stylized flourish at the end.

Cameron Fox  
CEO and Managing Director  
23 December 2024

**Modern Slavery Act 2018 (Cth) – Statement Annexure**

Mandatory criteria	Page number/s
1. Identify the reporting entity.	1-3
2. Describe the reporting entity's structure, operations and supply chains	3-5
3. Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities it owns or controls	5-8
4. Describe the actions taken by the reporting entity and any entities it owns or controls to assess and address these risks, including due diligence and remediation processes.	8-10
5. Describe how the reporting entity assesses the effectiveness of these actions	10-11
6. Describe the process of consultation on the development of the statement with any entities the reporting entity owns or controls (a joint statement must also describe consultation with the entity covered by the statement).	11