

ACTIVE APPAREL GROUP

AAG Holdco Pty Ltd – ACN 653537672

Active Apparel Group Pty Ltd – ACN 011035313

JOINT MODERN SLAVERY STATEMENT

UNDER THE MODERN SLAVERY ACT 2018 (CTH)

REPORTING PERIOD: 1 January 2024 – 31 December 2024

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Acknowledgement of Country

Active Apparel Group acknowledges the many Traditional Owners of the lands on which we operate, and pays our respects to their Elders past, present, and emerging. We recognize their strengths and enduring connection to lands, waters, and skies as the Custodians of the oldest continuing cultures on the planet.

CEO Statement

As we release our 2024 Modern Slavery Statement, I am proud to share the progress Active Apparel Group has made in strengthening our safeguards against modern slavery, deepening our due diligence practices, and reinforcing our commitment to the fair and dignified treatment of all workers across our global operations and supply chain.

This year, we continued to build upon the groundwork laid in previous reporting periods. Some of the key highlights include:

- **Continued independent third-party audits** (WRAP, SMETA, and Intertek SQP) of our owned manufacturing facility in Ningbo, China, which reaffirmed our alignment with international labour standards while also providing valuable insights into areas for further improvement.
- **Living wage** considerations remained central to our strategy. We continued to apply learnings from our previous audit to inform wage structures and support fair compensation practices within our operations. In 2024, we formalised our approach by committing to conduct Living Wage Audits every 24 months, with annual wage reviews indexed to CPI to ensure that compensation keeps pace with local cost-of-living changes between formal audit cycles.
- We launched a **mandatory, company-wide modern slavery training program** to ensure that all team members understand their role in recognising and responding to potential risks. In parallel, members of our compliance and sourcing teams also participated in external industry training to further strengthen our knowledge of emerging labour rights standards, audit frameworks, and responsible sourcing practices.
- **Cotton supply chain traceability** remains a key area of ongoing focus. In 2024, we improved visibility of our core suppliers, and in 2025 we have continued to build on this progress by exploring digital traceability tools such as FibreTrace in collaboration with brand partners. Mapping efforts are underway to document each tier of the cotton supply chain—from spinning mills through to finished goods—with the goal of strengthening oversight and mitigating modern slavery risks.
- In 2024, our owned manufacturing facility, Ningbo Longson Garments Co., Ltd., was **awarded Global Recycled Standard (GRS) certification**. This certification confirms that the facility meets stringent environmental, chemical, and social compliance requirements, including strict prohibitions on forced and child labour, verification of safe working conditions, and robust systems for tracking and segregating recycled fibres throughout production. Achieving GRS certification

reflects both our operational integrity and our leadership in building ethical, traceable supply chains for recycled materials.

- Importantly, we also achieved **B Corp Certification**, marking a significant milestone in our ESG journey. This reflects not only our performance across social and environmental impact areas, but also reinforces our long-standing commitment to transparency, ethics, and stakeholder accountability.

While we are proud of this progress, we remain aware of the challenges ahead. Complex global supply chains, particularly those involving high-risk materials like cotton, demand constant vigilance, meaningful supplier engagement, and innovative approaches to transparency. Our grievance mechanisms, audit systems, and stakeholder feedback loops continue to play a vital role in surfacing and addressing concerns in real time.

Looking ahead to 2025, we are committed to strengthening our risk management systems, enhancing collaboration with suppliers, and advancing the protection of human rights and fair working conditions across our value chain. As AAG explores new markets and diversifies its manufacturing footprint, we recognise that this growth brings both opportunity and responsibility. Expanding into new regions or supplier relationships may introduce fresh areas of modern slavery risk, and we are committed to applying the same level of due diligence, oversight, and ethical standards wherever we operate.

Together, we remain focused on building a responsible, equitable, and resilient business.

Sincerely,

A handwritten signature in dark ink, consisting of a stylized 'H' and 'J' followed by a horizontal line.

Henry Jones

Chief Executive Officer
Active Apparel Group

Identification of the Reporting Entity

Statement on reporting entities

This Joint Modern Slavery Statement is submitted in accordance with the Modern Slavery Act 2018 (Cth) for the reporting period 1 January 2024 to 31 December 2024. The reporting entities are AAG Holdco Pty Ltd (ACN 653537672) and Active Apparel Group Pty Ltd (ACN 011035313), collectively referred to as “AAG” or “the Group”.

This statement also covers AAG’s controlled entities, which include subsidiaries registered in Australia, Hong Kong, China, the United States, Canada, and Singapore. These entities support the Group’s global operations but are not individually subject to mandatory reporting requirements under the Act.

- AAG Investco Pty Ltd
- AAG Holdings Pty Ltd
- AAG Wearable Technologies Pty Ltd
- 2 Chillies Pty Ltd
- Henmac Investments Pty Ltd
- Huge Faith Group Limited (registered in Hong Kong)
- Jiujang Longson Active Apparel Co., Ltd (registered in China)
- Ningbo Longson Garments Co., Ltd (registered in China)
- AAG (Ningbo) Technology Service Co., Ltd (registered in China)
- Active Apparel Group (Hong Kong) Limited (registered in Hong Kong)
- Ningbo Active Apparel Co., Ltd (registered in China)
- AAG (US Holdco) LLC (registered in USA)
- Active Apparel Group (America) LLC (registered in USA)
- AAG Promotions LLC (registered in USA)
- ALWRLD LLC (formerly AAG SF LLC) (registered in USA)
- Active Apparel Group (Canada) Ltd (registered in Canada)

As required by the Modern Slavery Act 2018 (Cth), this statement reports on the risk of modern slavery in our operations and supply chains and outlines the actions taken to address those risks throughout the reporting period ending on 31 December 2024. The disclosures in this report pertain to AAG and its subsidiaries during the reporting period unless specified otherwise.

The AAG Holdco Board has approved this statement and authorised the CEO to sign on its behalf.

Description of the Reporting Entity's Structure, Operations, and Supply Chains

Corporate Structure & Global Footprint

Active Apparel Group (AAG) is a privately held Australian apparel company headquartered in Brisbane, Queensland. The Group operates across four continents with vertically integrated functions spanning design, sourcing, production, logistics, and distribution. AAG services a global customer base, with products primarily sold into the Australian (60%) and US (35%) markets, as well as selected markets in Europe (5%).

The Group's operations are supported by regional offices in:

- Brisbane, Australia – Corporate headquarters, executive leadership, finance, HR, ESG and governance
- New York, USA – In-house design team and sales
- Los Angeles, USA – Client services and sales
- Milan, Italy – Client services and sales
- Ningbo, China – End-to-end manufacturing hub, logistics, and sourcing coordination

Workforce Composition

As of the 2024 reporting period, AAG employed 1,638 people globally, with the vast majority (97%) based in China at our owned and operated manufacturing facility, Ningbo Longson Garments Co., Ltd.

This workforce includes:

- Production and support staff – 90% of the workforce
- Administrative and professional services – 5%
- Leadership and specialist roles – including finance, HR, IT and Logistics – 5%

AAG maintains a full-time employment model, with over 99% of roles being permanent, direct hires. Contract and part-time workers make up less than 1% of the workforce.

Supply Chain Overview

AAG's supply chain is global in scope but consolidated in structure, with a high level of transparency and long-term supplier relationships. It includes the procurement of raw

materials, manufacturing of apparel, and the distribution of finished products to international markets.

Of the key suppliers within AAG's supply chain, a portion are nominated suppliers — these are specific suppliers that have been selected or designated by AAG's clients and brand partners. Nominated suppliers are typically integrated into production workflows at the request of customers and must meet both AAG's internal compliance requirements and those of the nominating partner.

All suppliers are required to adhere to AAG's Supplier Code of Conduct, onboard through the Sedex platform, and provide relevant third-party certifications where applicable.

Raw Materials

AAG primarily sources raw materials from China, Italy, and the USA. The highest volume inputs include:

- Fabric (80%) – Predominantly from China (77%), with smaller volumes from Italy (15%) and others (USA, Australia, Taiwan & Turkey)
- Trims (20%) – Mostly sourced from China (96%), with smaller volumes from the USA (2%), Italy (1%), and other countries (1%)
- Packaging – Compostable and recycled polybags (100% sourced from China), and FSC-certified paper (87% from China, 13% from the USA)

Cotton accounts for a significant proportion (20%) of AAG's total raw material volume. As a globally traded agricultural commodity, cotton is recognised as carrying elevated modern slavery risks due to limited supply chain visibility, the use of migrant and seasonal labour, and known sourcing hotspots associated with forced labour. AAG acknowledges these risks and is actively working to enhance cotton traceability and ethical assurance. This will be addressed in greater detail in the next section of this statement.

Manufacturing

Materially, most garments produced during the 2024 reporting period were manufactured at AAG's fully integrated facility in Ningbo, China. This site:

- Is WRAP certified, with ongoing compliance confirmed through annual audits
- Undergoes SMETA 4-Pillar audits covering labour, health and safety, environment, and ethics
- Is certified under the Global Recycled Standard (GRS) for applicable materials

- Is SQP audited, with strong results confirming effective internal systems, documentation practices, and worker protections

The facility oversees cut, make, trim production, quality control, and garment finishing prior to global distribution.

Logistics and Distribution

Finished products are shipped from China to AAG's core markets (AU, US, EU). All logistics operations are overseen from the Ningbo facility in coordination with AAG's Australia and US-based teams.

Description of the Risks of Modern Slavery Practices

AAG acknowledges that modern slavery risks exist across the global apparel sector, particularly in complex supply chains spanning multiple jurisdictions. In 2024, the Group's operations and sourcing activities remained largely consolidated in China, where established supplier relationships, vertical integration, and on-site presence helped to reduce many traditional risk factors. Nonetheless, AAG continues to monitor and respond to potential risks associated with labour practices, raw material sourcing, and subcontracting.

Operational Risks

The majority of AAG's workforce is employed directly through its wholly owned facility, Ningbo Longson Garments Co., Ltd. in China. This vertically integrated model reduces risks associated with unauthorised subcontracting and unregulated labour. However, issues relating to working hours, occupational health and safety, and appropriate wage calculations remain areas of ongoing vigilance.

The use of temporary or seasonal workers, while limited, is also recognised as a potential risk factor due to the increased likelihood of informal recruitment practices, inconsistent entitlements, and lower visibility into employment conditions. To mitigate this risk, AAG requires that all temporary workers be contracted directly through the company or a vetted third-party agency, with employment terms aligned to those of permanent staff.

Supply Chain Risks

While AAG maintains long-standing relationships with most of its suppliers, modern slavery risks are recognised to be inherently higher in extended and multi-tiered supply chains, particularly where visibility beyond Tier 1 is limited. Of the Group's key suppliers, a portion are nominated by brand partners and clients, requiring coordination with external stakeholders to ensure these suppliers meet AAG's expectations for social and environmental compliance. All suppliers are required to adhere to AAG's Supplier Code of Conduct and be onboarded through the Sedex platform. However, variations in supplier capacity, audit readiness, and traceability systems can present challenges to consistent risk mitigation.

Cotton Sourcing Risks

Cotton remains a significant raw material across AAG's product categories. The Group recognises that cotton carries a distinct set of modern slavery risks due to its nature as a globally traded agricultural commodity. Known risks include the use of forced or exploitative labour in high-risk regions, low transparency at the farm level, and informal labour arrangements in upstream tiers of the supply chain. In 2024, AAG continued to

prioritise third-party certifications and the introduction of digital traceability platforms to strengthen oversight in this area.

Emerging Risks: Future Expansion

Although AAG's manufacturing footprint remained within China throughout the 2024 reporting period, the Group undertook preparatory work to explore potential future expansion of its sourcing and manufacturing network. Expanding into new sourcing regions presents evolving modern slavery risks, particularly in contexts where legal frameworks, enforcement capabilities, and labour protections vary. While no production commenced in these countries during the reporting year, initial site assessments and factory vetting were undertaken by AAG's internal compliance team to ensure alignment with the Group's ethical sourcing requirements. These future expansions will require ongoing monitoring and adaptation of risk management approaches.

Actions Taken to Assess and Address Modern Slavery Risks

Active Apparel Group (AAG) has continued to strengthen its approach to identifying, assessing, and addressing the risks of modern slavery across both its operations and supply chain. In 2024, the Group focused on enhancing due diligence processes, audit verification, stakeholder engagement, and internal capacity-building measures to improve visibility and accountability throughout its value chain.

Operational Due Diligence

AAG's vertically integrated facility, Ningbo Longson Garments Co., Ltd., remains central to its operational model. This structure enhances oversight and reduces risks associated with unauthorised subcontracting.

In 2024:

- The site maintained its **WRAP Gold Certification**, confirming compliance with ethical labour, health, and safety, and legal employment practices.
- A **SMETA 4-Pillar Audit** assessed the site across labour rights, health and safety, environment, and business ethics. While the audit confirmed broad alignment with best practices, some non-compliances, outlined below, were identified.
- An **SQP (Supplier Qualification Program) audit** further confirmed the strength of internal systems and highlighted only minor areas for improvement.
- The facility was **certified under the Global Recycled Standard (GRS)**, which includes requirements for environmental and social compliance, such as the prohibition of forced or child labour and verification of responsible production practices.
- AAG continues to reference its 2023 **Living Wage Audit**, which benchmarked compensation at the Ningbo facility against regional living wage standards. While the results confirmed that worker wages met or exceeded local minimum thresholds, the assessment highlighted opportunities to strengthen transparency in wage-setting processes and monitor wage progression over time. In response, AAG has committed to conducting formal Living Wage Audits every 24 months, supported by annual CPI-based wage reviews to maintain alignment with cost-of-living changes. These actions continue to guide strategic planning and reinforce AAG's commitment to fair and ethical employment practices across its operations.

2024 Audit Summary and Risk Response

In 2024, three independent third-party audits were conducted at AAG's Ningbo Longson Garments Co., Ltd. facility:

- The March 2025 SMETA 4-Pillar audit, conducted by Bureau Veritas at AAG's Ningbo Longson Garments Co., Ltd. facility, confirmed broad alignment with leading practice across labour rights, health and safety, environmental responsibility, and business ethics. However, several areas for improvement were identified:
 - Excessive overtime during peak production months.
 - Electrical safety issues, including incomplete labelling and access to extinguishers.
 - Chemical handling non-compliances, particularly related to hazardous substance storage and labelling.
- The May 2025 WRAP recertification audit reaffirmed the factory's WRAP Gold Certification, demonstrating continued adherence to WRAP's 12 Principles covering lawful, humane, and ethical workplace conditions. The audit echoed SMETA's findings, noting a need for improved production planning to manage seasonal overtime demands and reduce the risk of worker fatigue or excessive hours.
- The facility also underwent a Supplier Qualification Program (SQP) audit, which further validated AAG's operational practices. The SQP results confirmed the strength of the factory's internal compliance management systems, employee recordkeeping, and grievance procedures. Only minor findings—such as administrative gaps in risk assessments and chemical handling—were noted, with no high-risk or critical breaches identified.

Risk Mitigation and Remediation Actions

In response to these audit findings, AAG developed and initiated a formal Corrective Action Plan aimed at remediating identified issues and reinforcing risk controls related to modern slavery. Key actions implemented include:

- Restructuring shift schedules and production timelines to reduce reliance on excessive overtime.
- Enhancing the frequency and rigour of internal safety inspections, including electrical infrastructure and chemical storage.

- Conducting targeted compliance training for supervisors and production teams, focused on working hours, health and safety responsibilities, and grievance awareness.
- Incorporating audit findings into quarterly leadership reviews and informing broader revisions to AAG's labour management system and facility-level monitoring protocols.

Follow-up assessments are scheduled for late 2025 to verify that all corrective measures have been effectively implemented. AAG's leadership team continues to monitor progress closely and is using these insights to further align operational practices with global best standards and modern slavery prevention expectations.

Temporary Workers

Acknowledging the particular vulnerability of temporary and seasonal workers within its operations, AAG applies enhanced controls to mitigate associated risks. All short-term workers at the Ningbo facility are engaged either directly by AAG or through its sole approved labour hire agency, Ningbo Yijia Human Resources Co., Ltd. This agency has been subject to a rigorous screening process and is contractually required to meet AAG's standards, including:

- Compliance with all applicable local labour laws and regulations
- Adherence to international human rights and labour standards
- Payment at or above industry benchmarks
- Provision of employee benefits
- Alignment with a comprehensive code of conduct that emphasises ethical practices, worker wellbeing, and fair treatment

By exclusively partnering with a labour hire agency that satisfies these criteria, AAG seeks to ensure consistent treatment across its workforce and to minimise the risk of exploitation, discrimination, or coercion.

Monitoring Compliance and Due Diligence within the Supply Chain (Including Cotton)

AAG sources raw materials, trims, and packaging from a network of suppliers primarily based in China, with additional inputs from Italy, the United States, and other regions. All Tier 1 suppliers are required to sign AAG's Supplier Code of Conduct, which outlines minimum expectations for legal compliance, labour rights, and responsible sourcing. New suppliers are onboarded via the Sedex platform, enabling AAG to assess risk based on country, industry, and audit data.

Where suppliers are nominated by brand partners, AAG collaborates with clients to ensure their selected suppliers meet equivalent compliance expectations. Site visits, documentation reviews, and third-party certifications are used to validate these suppliers' practices.

The Group's own manufacturing hub, Ningbo Longson Garments Co., Ltd., was certified under the Global Recycled Standard (GRS) in 2024. GRS certification confirms that the facility has robust systems to segregate and track recycled fibres through every stage of production and that it meets stringent social and environmental criteria—specifically prohibiting forced and child labour, requiring safe working conditions, and mandating transparent record-keeping. By holding this certification at factory level, AAG not only validates its internal practices but also sets a clear benchmark that upstream suppliers must meet when providing recycled or cotton-blend materials, thereby strengthening modern slavery controls deeper within the supply chain.

Key Supplier Screening & Supply Chain Risk Assessment

The 2023 Supplier Self-Assessment Questionnaire (SAQ) marked AAG's first structured step toward strengthening transparency and accountability across its supply chain. Conducted in partnership with third-party consultancy The Growth Activists, the SAQ formed part of a broader mapping initiative to assess supplier performance across core sustainability pillars: Labour Standards, Health and Safety, Environmental Practices, Materials Transparency, and Business Ethics. The review captured data from suppliers representing over 80% of AAG's total expenditure and provided a critical baseline for identifying modern slavery risks.

Labour Standards Pillar: Key Findings

While many suppliers were found to be compliant with national labour laws and wage regulations, the SAQ revealed risks in several critical areas:

- Overtime practices that may not always reflect voluntary participation.
- Worker take-home production policies at some facilities, raising red flags around transparency and risks of exploitation.
- Gaps in anti-discrimination procedures, with a significant portion of respondents unable to confirm protections in place.

Risk Mitigation and Remediation

Since completing the initial screening, AAG has taken concrete steps to improve supplier oversight and remediate identified risks:

- **SEDEX Integration:** All active suppliers have now joined the SEDEX platform, enabling more structured data sharing and visibility into ongoing labour, health and safety, and ethical compliance metrics.
- **Ongoing Score Monitoring:** Monthly SEDEX scorecards and supplier-specific improvement reports are compiled and shared internally and with brand partners to track compliance and risk progression.
- **Supplier Engagement:** High-risk suppliers identified through the SAQ are being engaged directly to clarify flagged responses and co-develop remediation plans.
- **Capability Building:** AAG's sourcing and compliance teams have received focused training to embed responsible purchasing practices. Internal oversight systems have also been enhanced to improve monitoring of social and environmental risk across supplier tiers.

This remains an ongoing area of improvement. As AAG's operations expand and supplier relationships evolve, the company is committed to strengthening its supplier due diligence framework and reinforcing alignment with its ethical sourcing standards.

Managing Modern Slavery Risks in Cotton Supply Chains

Cotton remains a key material input and is recognised as a high-risk commodity in terms of modern slavery exposure. While AAG does not purchase cotton directly from farms, it has identified a need to improve traceability and transparency within its fabric supply chain.

As part of the broader 2023 supplier screening initiative, AAG included all known cotton suppliers within the scope of its Supplier Self-Assessment Questionnaire (SAQ). This allowed the company to gather targeted insights into labour standards, traceability practices, and compliance with responsible sourcing requirements specific to cotton.

Key Findings from the SAQ

- A large proportion of cotton suppliers indicated that they could not trace materials to the source of cultivation or ginning.
- Documentation gaps were evident, particularly regarding transportation records, raw material supplier identities, and production site certifications.

Risk Mitigation and Remediation

To address these risks, AAG has adopted the following approach:

- **Supplier Certifications:** AAG's three core Chinese cotton suppliers (Wujiang Xiehe, Ningbo Mingsheng, and Ningbo Henghui) are certified under OEKO-TEX and also

hold one or more of the following: Better Cotton Initiative (BCI), Global Organic Textile Standard (GOTS), or GRS certification.

- **Traceability Enhancements:** In 2025, AAG began exploring digital traceability platforms such as FibreTrace to increase visibility over the full lifecycle of cotton used in its products.
- **Supply-Chain Mapping:** Mapping activities continue; every tier from spinning mill to finished goods is being documented, with a refreshed tracking summary completed in May 2025.
- **Long-Term Supplier Relationships:** AAG has maintained long-standing relationships—spanning over five years—with the majority of its core cotton suppliers. Many are located within 80 kilometres of the Ningbo manufacturing facility, with key partners also based in nearby regions such as Suzhou (approximately 200 km away). This geographic proximity supports frequent engagement, stronger oversight, and more collaborative supplier management.
- **Organic Cotton & Transaction Certificates:** Where GOTS-certified cotton is used, AAG obtains corresponding Transaction Certificates and maintains documentation including OEKO-TEX and GRS verification to reinforce supply chain integrity.

These combined measures—supplier certification, digital traceability exploration, detailed tier-mapping, and long-standing supplier partnerships—form the backbone of AAG’s ongoing effort to identify and mitigate modern-slavery risks in its cotton supply chain.

Training on Modern Slavery

In 2024, Active Apparel Group took deliberate steps to strengthen internal awareness and accountability regarding modern slavery risks. Building on previous policy integration efforts, the Group launched a formal and mandatory modern slavery training program across all operational regions and business units—including corporate offices, the Ningbo factory, and supply chain teams.

This training forms part of AAG’s broader compliance and risk management framework and is designed to ensure that all team members—from senior leaders to factory staff—understand how to identify modern slavery indicators and escalate concerns through appropriate channels.

In addition to internal training delivery, team members also participated in external training sessions offered through Sedex, focused on updates to the SMETA audit framework and the use of SAQ and reporting tools for risk management. These sessions

supported AAG's goal of embedding modern slavery vigilance into everyday business practices and supply chain oversight.

Policies to Manage Modern Slavery Risks

To effectively identify, manage, and mitigate the risks of modern slavery across its operations and supply chains, Active Apparel Group (AAG) has implemented a comprehensive suite of internal and external policies. These policies reflect AAG's commitment to ethical business conduct, legal compliance, and the protection of human rights. Together, they form a governance framework that sets clear expectations for employees, suppliers, and third-party partners and provides mechanisms to report, investigate, and address modern slavery-related concerns.

The following key policies are in place:

- **Supplier Code of Conduct**

AAG's Supplier Code of Conduct sets out minimum standards that all suppliers must adhere to as a condition of doing business with the Group. The Code explicitly prohibits the use of child labour, forced or bonded labour, and any form of exploitation. It also requires respect for freedom of association, the provision of safe and healthy working conditions, fair wages, and non-discriminatory practices. All key suppliers are required to sign and commit to this Code, which is reviewed periodically to align with evolving best practices and global standards.

- **WRAP Certification Manual**

As part of its compliance framework, AAG adheres to the principles outlined in its WRAP Certification Manual. This document embeds the 12 WRAP principles into the operations of its wholly owned facility, Ningbo Longson Garments Co., Ltd. These principles include strict prohibitions on child and forced labour, harassment, and discrimination; fair compensation; regulated working hours; environmental responsibility; customs compliance; and workplace health and safety. Adherence to these standards underpins AAG's broader commitment to ethical manufacturing and labour rights protections.

- **Code of Ethics**

AAG's Code of Ethics outlines expected standards of ethical behaviour for all employees, directors, and representatives. It reinforces the company's commitment to integrity, legal compliance, fairness, and accountability. The Code plays a preventive role in combatting modern slavery by promoting a corporate culture that does not tolerate unethical behaviour or human rights violations and by fostering awareness of individual responsibilities in upholding these standards.

- **Anti-Corruption Policy**

This policy establishes safeguards to prevent, detect, and respond to bribery,

fraud, and other corrupt practices. Recognising the connection between corruption and human rights violations, AAG applies a zero-tolerance approach to corruption to help prevent circumstances that may enable or conceal instances of modern slavery. The policy promotes transparency and integrity across all business dealings, particularly in procurement and supplier engagement.

- **Whistleblower Policy**

AAG's Whistleblower Policy provides a confidential mechanism for employees and external stakeholders to report suspected breaches of law, including instances of modern slavery or unethical behaviour. The policy ensures that whistleblowers are protected from retaliation and that all disclosures are assessed and investigated in a fair, independent, and timely manner. Oversight is provided by a designated Whistleblower Protection Officer and trained investigators.

- **Grievance Handling Procedure**

This procedure ensures that all workers—both internal and within the supply chain—have access to a clear and responsive process for raising complaints or concerns. The process outlines timeframes for investigation and resolution, confidentiality protocols, and responsibilities for remediation. It complements the Whistleblower Policy by creating an open channel for affected individuals to safely report modern slavery risks or violations.

All policies are communicated to relevant internal and external stakeholders during onboarding and are subject to an annual review. Suppliers are expected to cascade these standards throughout their own supply chains to help extend modern slavery vigilance beyond Tier 1.

B Corp Certification & ESG Integration

AAG achieved B Corporation Certification in late 2024, recognising verified performance across governance, workers, community, environment, and customers. The B Corp framework has reinforced AAG's commitment to:

- Embedding modern slavery prevention into procurement and HR practices
- Holding suppliers accountable through audit and certification
- Using ESG metrics to drive decision-making and stakeholder engagement

B Corp's legal and performance standards have further elevated internal accountability, transparency, and ethical sourcing practices across AAG's operations.

Grievances and Remediation

Grievance mechanisms are in place across AAG's operations to ensure that both internal employees and external supply chain workers can safely raise concerns. These mechanisms are critical to the Group's ability to detect and respond to any potential labour rights issues, including indicators of modern slavery.

Factory Employees:

At AAG's wholly owned facility, Ningbo Longson Garments Co., Ltd., employees have access to several reporting channels, including direct line managers, the human resources team, and a formal, anonymous grievance mechanism. The factory features a site-specific system that allows workers to submit anonymous complaints via a QR code linked to a digital reporting form. These QR codes are displayed throughout the facility—including high-visibility areas such as entrance points, noticeboards, and common areas—ensuring easy and private access. The mechanism is available to all workers, including permanent and temporary staff.

As of 31 December 2024, the grievance mechanism had received 9 complaints. None of these related to modern slavery risks. Instead, the majority concerned everyday operational matters, such as:

- Excessive overtime, though voluntary
- Dining time and taste
- Lack of parking spaces

These insights confirm that the mechanism is actively used and functioning as intended, with no evidence of interference or intimidation. AAG regularly reviews these complaints to ensure appropriate follow-up and to identify patterns that may indicate systemic issues.

Suppliers and External Workers:

Within AAG's supply chain, grievance expectations are embedded within supplier contracts, codes of conduct, and onboarding processes. Suppliers are required to maintain open communication channels and are encouraged to report issues directly to AAG's compliance team when necessary. Where issues arise during audits AAG ensures that remediation is monitored and verified through follow-up visits or certifications.

No Incidents of Modern Slavery:

No instances of modern slavery were identified across AAG's operations or supply chain during the 2024 reporting period. AAG remains vigilant, with grievance mechanisms regularly promoted to workers and integrated into ongoing risk management practices.

Continuous Improvement

AAG views modern slavery risk management as a process of continuous improvement. During the 2024 reporting period, the company:

- Completed independent third-party audits (WRAP, SMETA, SQP) at its Ningbo facility to assess alignment with global labour and ethical standards
- Maintained Global Recycled Standard (GRS) certification, verifying environmental and social compliance for recycled inputs
- Continued its cotton traceability efforts by working with core suppliers to map the full supply chain from spinning mills to finished goods and exploring digital traceability tools such as FibreTrace
- Rolled out a mandatory modern slavery training program across all business units, ensuring employees are equipped to recognise and respond to potential risks
- Achieved B Corp certification, reinforcing its commitment to continuous improvement in social and environmental responsibility, including governance, worker wellbeing, and ethical sourcing practices

In 2025, AAG plans to build on this foundation with the following:

- Undertake a global regulatory review to refresh and benchmark the company's modern slavery controls against emerging laws and expectations across key jurisdictions (Australia, EU, U.S., UK), ensuring all baseline commitments are met or exceeded
- Explore the application of worker engagement and empowerment programs, such as the RISE (Responsible Industrial and Sustainable Engagement) framework at AAG's Longson facility. These initiatives aim to strengthen worker voice, promote social dialogue, and embed gender-responsive practices that help reduce the risk of forced and exploitative labour
- Conduct a gap analysis on living wage and decent work conditions among key outsourced manufacturing suppliers, to assess current performance, identify areas of risk, and design a roadmap for improved wage transparency

Assessing the Effectiveness of Actions to Address Modern Slavery Risks

Throughout 2024, the Group continued its internal monitoring and accountability processes to evaluate the effectiveness of its modern slavery prevention measures across both operations and supply chains.

Effectiveness is assessed through the following key mechanisms:

Third-Party Audits and Corrective Action Plans:

Independent audits, including a SMETA 4-Pillar Audit, WRAP recertification, and SQP Audit have provided credible validation of compliance while also highlighting specific areas for improvement, such as excessive overtime and chemical safety. Corrective actions were implemented and monitored, with outcomes informing future preventive measures.

Living Wage Audit Insights:

While the formal Living Wage Audit was conducted by Bureau Veritas in 2023, its insights remain integral to AAG's ongoing strategy. These findings continue to shape internal wage benchmarking and supplier engagement practices, helping to identify disparities and build wage adequacy considerations into ongoing risk assessments. Going forward, AAG will conduct formal Living Wage Audits every 24 months, supported by annual reviews aligned to CPI movements to ensure ongoing wage relevance and inflationary responsiveness between audit cycles.

ESG Governance and Board Oversight:

AAG's 3-Year ESG Roadmap, adopted by the Board in 2023, provides a structured framework to monitor and improve performance. Modern slavery remains a central pillar of this roadmap. The roadmap is managed through a formal Social and Environmental Management System (SEMS), overseen by the Group Chief Commercial Officer and subject to independent third-party audits on a quarterly basis.

B Corp Certification:

In 2024, AAG achieved B Corp certification. This achievement reflects a rigorous third-party review of social and environmental practices, including policies and performance related to modern slavery risk management. Certification metrics will continue to inform annual internal effectiveness reviews.

As part of maintaining B Corp status, AAG is committed to a process of continuous improvement, which includes not only preserving its current performance but also identifying opportunities to strengthen its social and environmental impact each year.

Importantly, AAG will be required to recertify in 2027 under B Lab's new and more rigorous standards, which place greater emphasis on human rights due diligence, responsible sourcing, and governance accountability. Preparation for recertification will be embedded into the company's broader ESG and compliance roadmap, helping to align modern slavery prevention efforts with leading global frameworks and stakeholder expectations.

Policy Integration and Staff Engagement:

In line with AAG's pursuit of B Corp certification, several key policies were developed or updated in 2023—including the Supplier Code of Conduct, Code of Ethics, Whistleblower Policy, and Grievance Mechanism—to align with B Lab's social and governance expectations. These were fully embedded into business operations in 2024. Mandatory modern slavery and labour rights training was also rolled out across all global offices and the Ningbo facility during the reporting period, further strengthening awareness and response capability at all levels of the business.

Consultation with Owned and Controlled Entities

As a joint statement, this report reflects broad consultation across all entities owned or controlled by AAG Group, including subsidiaries in Australia, China, Hong Kong, the USA, Canada, and Singapore. Consultation was embedded into both day-to-day operations and the formal preparation of this modern slavery statement.

Throughout the 2024 reporting period:

Global ESG Governance and Supply Chain Management:

The Group Chief Commercial Officer, who leads AAG's ESG strategy and oversees global supply chain risk management, facilitated regular consultation with regional teams, including structured engagement with all controlled entities. This role embeds the ESG strategy across the business through multiple communication channels—internal EDMs, policy updates, and sharing, as well as town hall engagements to ensure alignment and awareness at all levels. In addition, the ESG program is supported through regular board-level reporting and strategic updates to maintain oversight and accountability.

Operational Consultation at Factory Level:

At AAG's facility in Ningbo, China—where the majority of production and associated risk is concentrated—the local Compliance Manager and Supply Chain Director played key roles in strategy implementation and compliance. They reported directly to both the local CEO and the Group Chief Commercial Officer, ensuring ongoing communication and shared accountability.

Audit Feedback and Local Engagement:

External audit findings were reviewed collaboratively across factory and Group leadership teams, with actions cascaded. These insights also fed into Board-level briefings and informed ongoing improvements to risk mitigation strategies.

Board Engagement and Oversight:

The AAG Board received quarterly ESG updates throughout 2024, covering modern slavery risk indicators, audit summaries, SAW (supplier and worker) assessments, grievance data, and policy developments.

This comprehensive and continuous engagement model ensures that modern slavery risks are assessed and addressed consistently across the Group. It also supports alignment of governance, policy, and remediation efforts throughout AAG's operational footprint.