



Modern Slavery Statement financial year 2022-2023

This statement is made pursuant to the *Australian Modern Slavery Act 2018* (Cth) (**the Act**) in respect to the period 1 July 2022 to 30 June 2023 (**Current Reporting Period**).

1. Reporting entity

This statement is made by Retail Zoo Holdings Pty Ltd ACN 169 039 721 (**Retail Zoo**).

2. Structure, operations and supply chains of the reporting entity

Structure



Operations

Retail Zoo is headquartered at its Support Centre in Clayton, Victoria. During the Current Reporting Period, Retail Zoo directly employed approximately 160 employees at its Support Centre and approximately 2500 employees within its company-owned stores.

Retail Zoo's franchisees in Australia are estimated to directly employ approximately 5000 people, and its master franchisees outside of Australia (or their sub-franchisees) are estimated to directly employ approximately 2500 people.

Supply chains

Retail Zoo engages suppliers throughout its business, particularly to support Retail Zoo's company-owned stores and franchised network. Retail Zoo's largest spend categories are:

- fresh and frozen produce (primarily: fruits, meats, poultry and frozen yoghurts);
- coffee beans;
- beverages;



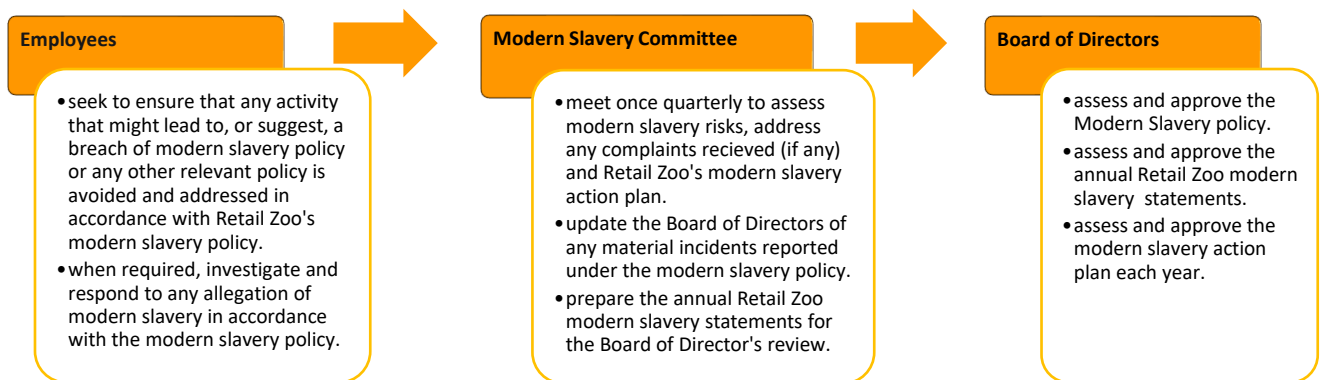
- equipment;
- packaging; and
- services to construct new stores or refurbish existing stores.

As set out in Retail Zoo's previous modern slavery statements (**Previous Statements**), Retail Zoo has over 160 suppliers who provide goods and services to support each of Retail Zoo's brands and its headquarters.

Retail Zoo's franchisees and master franchisees are contractually required to use suppliers approved by Retail Zoo, and for some goods and services are required to use suppliers nominated by Retail Zoo.

Modern Slavery Committee

Retail Zoo formed a Modern Slavery Committee (**MSC**) during FY22. The diagram below sets out the role of the MSC within Retail Zoo's organisation.



3. Risks of modern slavery in Retail Zoo's operations and supply chains, and the actions taken to assess and address these risks

In the Current Reporting Period, Retail Zoo continued to assess and consider the risk that Retail Zoo is causing, contributing, or linked to modern slavery practices.

Operations

a. Risks of modern slavery in Retail Zoo's operations

For the same reasons outlined in Previous Statements, it remains Retail Zoo's assessment for the Current Reporting Period that it is a low risk that Retail Zoo's operations are causing, contributing, or is directly linked to modern slavery practices.

As set out in the Previous Statements, in some areas of Retail Zoo's business, Retail Zoo uses contractors or service providers (for example, in respect to cleaning offices, equipment maintenance and off-shore processing). It remains Retail Zoo assessment that it does not have the same level of visibility or control over these persons, as compared to its own employees.

As a result, it is possible that these persons may engage individuals who are less aware of their rights and/or vulnerable to exploitation, such as in respect to working conditions and wage compliance. While practices such as substandard working conditions and underpayments are not “modern slavery” as defined by the Act, these practices can be harmful and may escalate to modern slavery if not addressed. During the Current Reporting Period, Retail Zoo has taken steps, including expanding its use of SEDEX, to improve visibility and control over its contractors and service providers and in an effort to address such concerns.

b. Actions taken by Retail Zoo to assess and address these risks

Despite the relatively low risk of modern slavery (as defined by the Act) in its operations, in the Current Reporting Period, Retail Zoo:

- continued to ensure that any new key personnel or employees employed by Retail Zoo completed Retail Zoo’s internal training on modern slavery;
- adjusted and expanded its internal training on modern slavery to share it with its Australian franchisees, to assist them in understanding the concept of modern slavery, recognising modern slavery risks within their own operations and supply chains and the process of handling a modern slavery complaint or escalating a concern if one does arise;
- enabled its MSC to meet at least quarterly to discuss modern slavery risks;
- improved its ability to map its supply chain and operations to gain further visibility over its contractors or service providers by continuing to invite its suppliers to join SEDEX, and encouraging those that did join to complete their SAQ questions; and
- requested that new contracts considered relevant by key management contained Retail Zoo’s anti-slavery clause, which specifically addresses and sets out Retail Zoo’s expectations in respect to adhering to anti-slavery laws and refers to Retail Zoo’s Modern Slavery Policy.

Supply chain

c. Risks of modern slavery in Retail Zoo’s supply chain

As assessed in Previous Statements, it remains Retail Zoo’s assessment for the Current Reporting Period that the areas within Retail Zoo’s supply chain that have an increased modern slavery risks are:

- apparel (such as uniforms), electronics (such as computers and mobile telephones), coffee beans and produce from fruit farms. These goods are either located in, or sourced from, countries or regions that are estimated to have a higher prevalence for modern slavery or have in the past been criticised for modern slavery practices;
- in the second and third tier of Retail Zoo’s supply chain such as in respect to the production, processing,

packaging and transport of goods;

- suppliers used by master franchisees (or their sub-franchisees); and
- unapproved suppliers engaged by franchisees.

d. Actions taken by Retail Zoo to assess and address these risks

In this reporting period, Retail Zoo:

- continued using SEDEX to assess the modern slavery risks that may exist in its Nominated Region Suppliers and Nominated Goods Suppliers (as defined in the Previous Statements), and to obtain further visibility over its suppliers and their second and third tier supply chains;
- reviewed suppliers' information made available on SEDEX. As more of Retail Zoo's suppliers join and connect with Retail Zoo on SEDEX, Retail Zoo is provided further visibility and access to independent SMETA audits, which continues to assist Retail Zoo to assess its supply chains and the modern slavery risks;
- continued to update contracts (such as supply agreements provided by new suppliers) with a clause which specifically addresses and sets out Retail Zoo's expectations in respect to adhering to anti-slavery laws;
- continued to share Retail Zoo's Modern Slavery Policy with its suppliers and operation chains;
- enabled MSC to meet at least quarterly to discuss modern slavery risks;
- provided modern slavery training to new Retail Zoo employees, in an effort to ensure each new employee understands their obligations to assess and address modern slavery risks in their role; and
- adjusted and expanded its internal training on modern slavery to share it with its Australian franchisees, to assist them in understanding the concept of modern slavery, recognising modern slavery risks within their own operations and supply chains and the process of handling a modern slavery complaint or escalating a concern if one does arise.

4. Effectiveness of Retail Zoo's actions

While Retail Zoo did not discover or become aware of any specific modern slavery issues within its supply chain or operations during the Current Reporting Period (including under its Whistleblower Policy), Retail Zoo endeavours to continually assess its effectiveness in identifying and managing modern slavery risks by tracking its actions and outcomes.

The actions taken by Retail Zoo so far have:

- provided management with a greater insight of Retail Zoo's supply chain and operations;

- provided an opportunity for Retail Zoo to communicate its expectations to its suppliers and master franchisees in respect to assessing and reducing modern slavery risks within their supply chains;
- educated and trained Retail Zoo's Australian franchisees, managers, key personnel and Support Centre employees on recognising and addressing modern slavery risks in their day-to-day management;
- improved a number of internal processes, in an effort to gain further visibility across Retail Zoo's supply chains, including 2nd and 3rd tier supply chains.

Retail Zoo's action plan for the Current Reporting Period

In the Previous Statements, Retail Zoo identified the following specific actions that it aimed to take in the Current Reporting Period:

a. SEDEX

In Previous Statements, Retail Zoo focused on onboarding and connecting with its major suppliers on SEDEX.

For this reporting period, the MSC reviewed Retail Zoo's list of suppliers and established that for this reporting period the MSC would focus its efforts on inviting an additional 88 suppliers out of Retail Zoo's largest spend suppliers (**FY23 Supplier List**). As a result of this effort, Retail Zoo invited approximately 41% of the FY23 Supplier List to join SEDEX and informed them of Retail Zoo's expectations in respect to modern slavery.

Retail Zoo's use of SEDEX has provided Retail Zoo with increased visibility over its supply chains. For the Current Reporting Period, Retail Zoo gained access to approximately 22 audits that were sought by other SEDEX members.

b. Training

In the Previous Statements, Retail Zoo endeavoured to extend its modern slavery training to all of Retail Zoo's employees and franchisees.

During the Current Reporting Period, Retail Zoo continued to share its internal modern slavery training module to existing and new employees on each brand's E-Network platform. The internal training module is a video explaining what modern slavery is and Retail Zoo's expectations from its employees in assessing and addressing modern slavery risks they may come across in their day-to-day role working at Retail Zoo.

As at 30 June 2023, approximately 75% of Retail Zoo's Support Centre employees had completed the training. Retail Zoo has recognised that this completion rate is likely to shift throughout the years as result of Retail Zoo operating a retail business where frequent change in casual employees occur over a reporting period.

During the Current Reporting Period, Retail Zoo also amended (as relevant to suit Retail Zoo's franchisees) and extended its internal training to its Australian franchisees. The training is a video explaining what modern slavery is and Retail Zoo's expectations from its franchisees in assessing and addressing modern slavery risks or complaints they may come across in their own operations and supply chains. Once the training was released on Retail Zoo's franchise training platforms, each respective general brand manager emailed the relevant franchisees to access and complete their training. As at 30 June 2023, collectively across the Retail Zoo brands, 59% of Australian franchisees had completed the training.

c. Setting Retail Zoo's expectations

Retail Zoo has a Modern Slavery Policy which it seeks to share with suppliers and employees.

The modern slavery policy is available on each Brand's E-Network platform.

d. MSC

Retail Zoo's MSC continued to meet during the Current Reporting Period at least quarterly to:

- assess Retail Zoo's progress on achieving Retail Zoo's modern slavery action plan;
- assess and address any modern slavery risks or concerns in Retail Zoo's supply chains and operations; and
- prepare Retail Zoo's modern slavery action plan for the next reporting period.

e. Audits

During the Current Reporting Period, Retail Zoo proceeded to invite or connect with a number of its suppliers on SEDEX, whereby Retail Zoo was able to gain further visibility over its suppliers, including obtaining copies of audits which were conducted on some of its suppliers by other SEDEX members. For the Current Reporting Period, Retail Zoo has gained access to approximately 22 audits in relation to its suppliers connected on SEDEX. In the first instance, Retail Zoo has decided to commence the process of reviewing the contents of the audits made available to Retail Zoo before reassessing whether a new audit may be necessary.

Retail Zoo's modern slavery action plan for FY24

Retail Zoo understands that the process of assessing and addressing modern slavery risks in its operations and supply chains is an ongoing and evolving process. As Retail Zoo will be entering its fifth reporting period in the upcoming reporting period, Retail Zoo intends to engage an external consultant to review modern slavery risk in the context of Retail Zoo's operations and supply chain, analyse Retail Zoo's risk controls, and assist to develop a modern slavery action plan for the business to implement in FY24 and FY25.

5. Related entities

Retail Zoo's entities have common directors, and each of Retail Zoo's brands are supported by the same teams in its headquarters. This statement has been considered by Retail Zoo's Board of Directors and Senior Executives.



This statement was approved by the Retail Zoo Board of Directors in their capacity as principal governing body of Retail Zoo Holdings Pty Ltd on 12 December 2023.

A handwritten signature in black ink, appearing to read "Nishad Alani".

Nishad Alani
Director
Retail Zoo Holdings Pty Ltd