



EMBRACING CHANGE ELEVATING STANDARDS

Modern Slavery Statement FY23

COUNTRY ROAD GROUP
COUNTRY ROAD MIMCO POLITIX TRENER WITCHERY

Introduction & Executive Note

Country Road Group has a vision to be the most admired Australian lifestyle brand house and we are committed to building a better future by operating ethically and responsibly throughout our operations. During the year, we have remained committed to our sustainability and ethical sourcing goals, working to ensure that we do not infringe the human rights of others and addressing any adverse human rights impacts in line with international business and human rights standards.

This statement is published by Country Road Group Pty Ltd (**Country Road Group** or **CRG**) as a joint statement on behalf of itself and seven other related entities. All eight reporting entities covered by this statement have common directors, the same registered office address, use the same policies and processes, operate in the same sector, and share many of the same suppliers. Therefore, this joint statement provides a single consolidated description of their actions to assess and address modern slavery risks. Details of each reporting entity covered by this statement are listed in Appendix 1.

This is Country Road Group’s fourth modern slavery statement under Australia’s *Modern*

Slavery Act 2018 (Cth) (**MSA**) and sets out the actions CRG has taken to understand and mitigate our modern slavery risks during the 2023 financial year from 1 July 2022 to 30 June 2023 (**FY23**).

In this statement, we are pleased to share our experiences during FY23 that convey a period of significant activity: Activities that reflect our commitment to “Embracing Change, Elevating Standards”. By example, we empowered our team with a modern slavery awareness e-learning module. This training equips our team members with the knowledge and tools needed to recognise potential risks, make informed decisions, and contribute to the eradication of modern slavery in our supply chains.

Our Teams have also remained connected with industry leaders and like-minded companies to ensure we stay abreast of the key issues and of the emerging technologies to support and shape our Good Business Journey commitments. Organisations (such as the United Nations Global Compact, the International Accord, SEDEX and Ethical Trade Initiative) and human rights support through companies such as ELEVATE and Pillar Two, have formed part of our modern slavery toolkit.

Our statement provides some deeper insights into how these arrangements have been beneficial to CRG during FY23.

Significant milestones achieved in FY23

- ✓ Developed and launched new policies, procedures and organisational structures to effect centralisation of all CRG’s sourcing functions.
- ✓ Procured new data management software specifically designed to manage supply chain operations, audit processes and worker-related data.
- ✓ Strengthened CRG’s Approved Factory Program establishing a four-stage approval process to onboard new suppliers.
- ✓ Conducted a modern slavery webinar for more than 80 merchandise suppliers to raise awareness, knowledge and mitigate risk of modern slavery.
- ✓ Launched a modern slavery e-learning module to enable our team members to understand our responsibilities and support in identifying potential risks.
- ✓ Developed and commenced progress on a ‘living wage roadmap’ with the objective of achieving living wages for all CRG tier 1 merchandise workers.
- ✓ Became a member of the Ethical Trading Initiative and began collaborating with fellow members in pursuit of ethical supply chain management.

“Despite the disruption of these significant changes, CRG has remained focused on identifying and addressing modern slavery risks and building on our commitments.”

There are many additional “case studies” presented throughout this statement. Each represents an example of our commitment to “Embracing Change, Elevating Standards”. We recognise there is further work to undertake and remain dedicated to seeking continuous improvement in our actions.

In preparing this statement, CRG has consulted with the relevant leadership and office holders of the reporting entities listed in Appendix 1, who have agreed on the actions taken against modern slavery as set out in this statement.

This statement was approved by the board of Country Road Group on 13 December 2023. CRG board member, Ramana Murthy Raju

Vuppalapati, is also the sole director and principal governing body of Country Road Clothing Pty Ltd, Witchery Australia Holdings Pty Ltd, Witchery Holdings Pty Ltd, Witchery Fashions Pty Ltd, and Mimco Pty Ltd. Therefore, the board of Country Road Group approved this statement on behalf of Country Road Group, as well as each of these subsidiaries. The board of Country Road Group also approved this statement on behalf of Country Road Group Holdings Pty Ltd and Woolworths International Australia (Pty Ltd). The principal governing bodies of these entities did not approve this statement because they are holding companies which do not have outward facing operations or undertake external procurement.

This statement is signed by



Ramana Murthy Raju Vuppalapati
Chief Executive Officer
Country Road Group

A handwritten signature in black ink, appearing to read 'Ramana Vuppalapati', written over a horizontal line.

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**STRUCTURE,
OPERATIONS AND
SUPPLY CHAIN**

Country Road Group

Country Road Group consists of some of Australia’s most iconic and most loved fashion retail brands Country Road, MIMCO, POLITIX, Trenery and Witchery.

Our Structure

Country Road Group Pty Ltd is an Australian company (ACN 006 759 182) operating in the apparel, accessories and homewares retail sector and headquartered in Melbourne, Victoria.

Country Road Group's subsidiary structure and entities remained unchanged during this period from that reported in our previous statement. However, a new Australian parent company, Country Road Group Holdings Pty Ltd, was incorporated in FY23. Country Road Group’s ultimate parent company remains Woolworths Holdings Limited, a South African business listed on the JSE (which is not a reporting entity for the purposes of this statement). The highest reporting entity in our Australian corporate structure is now Country Road Group Holdings Pty Ltd.

Country Road Group comprises five customer-facing brands operated by the following wholly owned subsidiaries of Country Road Group:

- Country Road Clothing Pty Ltd (ACN 005 419 447) – trading as **COUNTRY ROAD and TRENER**
- Witchery Fashions Pty Ltd (ACN 006 897 230) – trading as **WITCHERY**
- MIMCO Pty Ltd (ACN 067 573 291) – trading as **MIMCO**
- Cicero Clothing Pty Ltd (ACN 614 757 327) – trading as **POLITIX**

With the exception of Cicero Clothing Pty Ltd, these entities are all reporting entities for the purposes of the MSA. In addition, Country Road Group and the entities listed here own, control

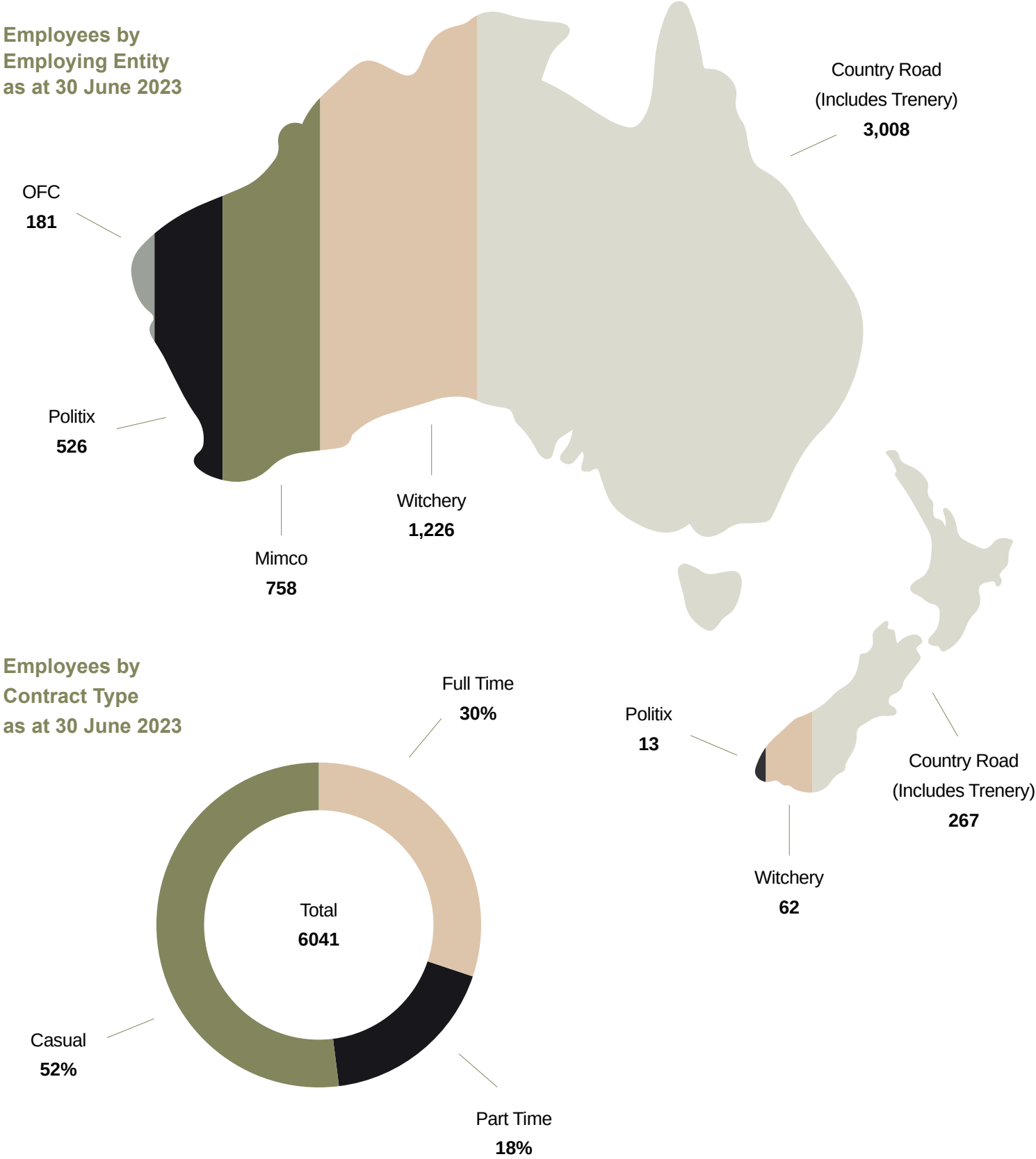
and operate various Australian subsidiary entities who are non-reporting entities under the MSA. These subsidiary entities undertake a range of functions such as warehousing, logistics and property.

“Country Road Group employs staff within stores, at our head office support centre in brand-specific and shared services roles and at our Omni Fulfillment Centre (OFC).”

Country Road Group employs staff within stores, at our head office support centre in brand-specific and shared services roles and at our Omni Fulfillment Centre (OFC). The brand “Country Road” employs the largest number of employees with 2,668 (44%) of 6,041 employees groupwide in Australia and New Zealand.

Most team members are employed in Australia (5,699 employees, representing 94%), with 342 employees based in New Zealand (6%). Around 54% of Politix, Mimco, Witchery and Country Road employees are “casual”, with this being only 46% for Trenery.

Country Road Clothing Pty Ltd, Witchery Fashions Pty Ltd, Mimco Pty Ltd, and Cicero Clothing Pty Ltd are our retail operating companies, engaging in the design, developing, and purchasing of products, goods and services, and are responsible for the retail activities at our branded stores, concession pads (in David Jones and Myer stores) and via our e-commerce channels. Each of these entities employ staff, lease and operate retail stores, design and develop products that we sell, and partner with suppliers of goods and services to support our operations. All these entities operate in a similar manner and are collectively reported on throughout this statement.



“In FY23, we operated over 500 retail and concession stores across Australia and New Zealand consisting of over 300 stores for individual brands and over 200 concession arrangements.”

Our Operations

Headquartered in Melbourne, our operational activities range from creating initial fashion and marketing design concepts through to warehousing and fulfilling customer orders, either instore, from our OFC which we own and operate, or from our 3rd party logistics provider Australasian Distribution Network Logistics (ADN). Country Road Group does not directly manufacture goods, but rather engages with a range of suppliers for the manufacture of goods, such as apparel, footwear, homewares, and other accessories sold under our five retail brands.

In FY23, we operated over 500 retail and concession stores across Australia and New Zealand¹ consisting of over 300 stores for

individual brands and over 200 concession arrangements (i.e. stores within David Jones or Myer stores). With growth of orders received online, fulfillment has relied upon the combined service of the OFC and from retail stores. Our team members’ roles include retail services, design, production, IT, customer service, merchandising, retail operations, marketing, e-commerce, sourcing, sustainability, legal, risk, finance, and executive management. These team members are directly employed on either a full- time, part-time, or casual arrangement under Enterprise Bargaining Agreements, relevant Awards or Individual Employment Contracts depending on their position and work location.

Country Road Group operations



¹ Country Road Group products are sold via concession stores in South Africa. The staff employed in these stores are engaged by a South African based entity on South African employment terms, and the stores are managed by Country Road Group’s parent company, Woolworths Holdings Limited.

Our operations also include the use of indirect workers engaged via 3rd parties to provide services to support the ongoing activities of our operations. These indirect workers may include labour-hire in our OFC, at ADN, or cleaning and security services across our store and support centre sites. More information about these services is included in the following section about our supply chains



Our Suppliers and Supply Chains

Our supply chains span the globe and can be widely varied and complex. Country Road Group partners with extensive product supply chains for the manufacture and supply of merchandise for retail. This includes apparel, accessories, footwear and homewares. We also engage in the “non-trade” procurement of goods and services (such as cleaning services for offices and stores) to support the operation of our businesses. This section describes both the trade and non-trade elements of our supply chain.

Our Merchandise Supply Chain

In FY23, our merchandise sourcing footprint covered 12 countries, where we partnered with 172 suppliers to manufacture our branded products in 249 finished goods factories (active in our factory master file). These suppliers may own the finished goods factory that makes our products, or they may sub-contract to factories approved by Country Road Group to complete the final production. The product range includes apparel, footwear, fashion accessories and homewares. Materials used in these products include many natural textile fibres (such as cotton, wool, and linen), man-made textile fibres (such as polyester and nylon) and non-textile materials (such as leather, wood and glass).

Our contractual trading arrangements are primarily with our direct merchandise suppliers that own or engage factories to produce merchandise. We have contractual arrangements with some nominated fibre and fabric suppliers beyond these merchandise suppliers. However, we do not have direct

relationships with every entity involved in the complex supply chains of our products.

Across the range of products that we design, each of the steps involved in manufacturing are often different and nuanced depending on the product type, design and style, or the materials used. The range of activities involved in our fashion supply chain may include:

- Cultivation of raw materials (such as cotton or linen)
- Processing of raw materials into fibres, yarn, or hides,
- Weaving, knitting, or bonding of the fibres into fabrics
- Wet processing including dyeing, washing, and tanning
- Cutting, making, trimming and assembly (including sewing, knitting, linking, and moulding)
- Other value-add processes (such as embroidery, trims, hardware, and screen printing)
- Packaging, labelling, packing and shipping



An example of a cotton T-shirt supply chain





The relationship between participants in each phase of the production supply chain can be tenuous and complicated. Each stage of production may occur in singular or multiple countries and regions. Fibres may be grown in one country, shipped to another for converting into yarns before being woven into fabrics elsewhere. Some factories are vertically integrated and conduct multiple stages of production within the one facility.

However, many supply chain participants specialise in certain aspects of production and act as component or service providers to other supply chain actors.

Despite disruptions in FY21 and FY22, our supply chain has shown resilience, and our commitment to ethical standards and practices remains unwavering. In FY23, we've seen impressive growth in our sourcing activities and sales performance post-COVID-19 challenges. Some highlights being:

- An extra 5 hundred thousand units sourced by the group during FY23, up by 2.9%.
- Three categories experienced growth in units sourced: Men's (+14.8%), Kids (+0.1%), Homewares (+28.5%)
- The largest increases in units sourced was experienced by Country Road (+8.9%) and Politix (+10.9%)

Our commitment to improving the transparency of our supply chains continues to be a major focus for our business. A list of factories where we produce our products is publicly available on CRG's website². In addition to this list, some of the individual brands continue to build greater levels of supplier transparency on their brand websites, which can include maps of production locations, additional information on the manufacturers, farmers, raw material sources and the processes involved in the production of goods³.

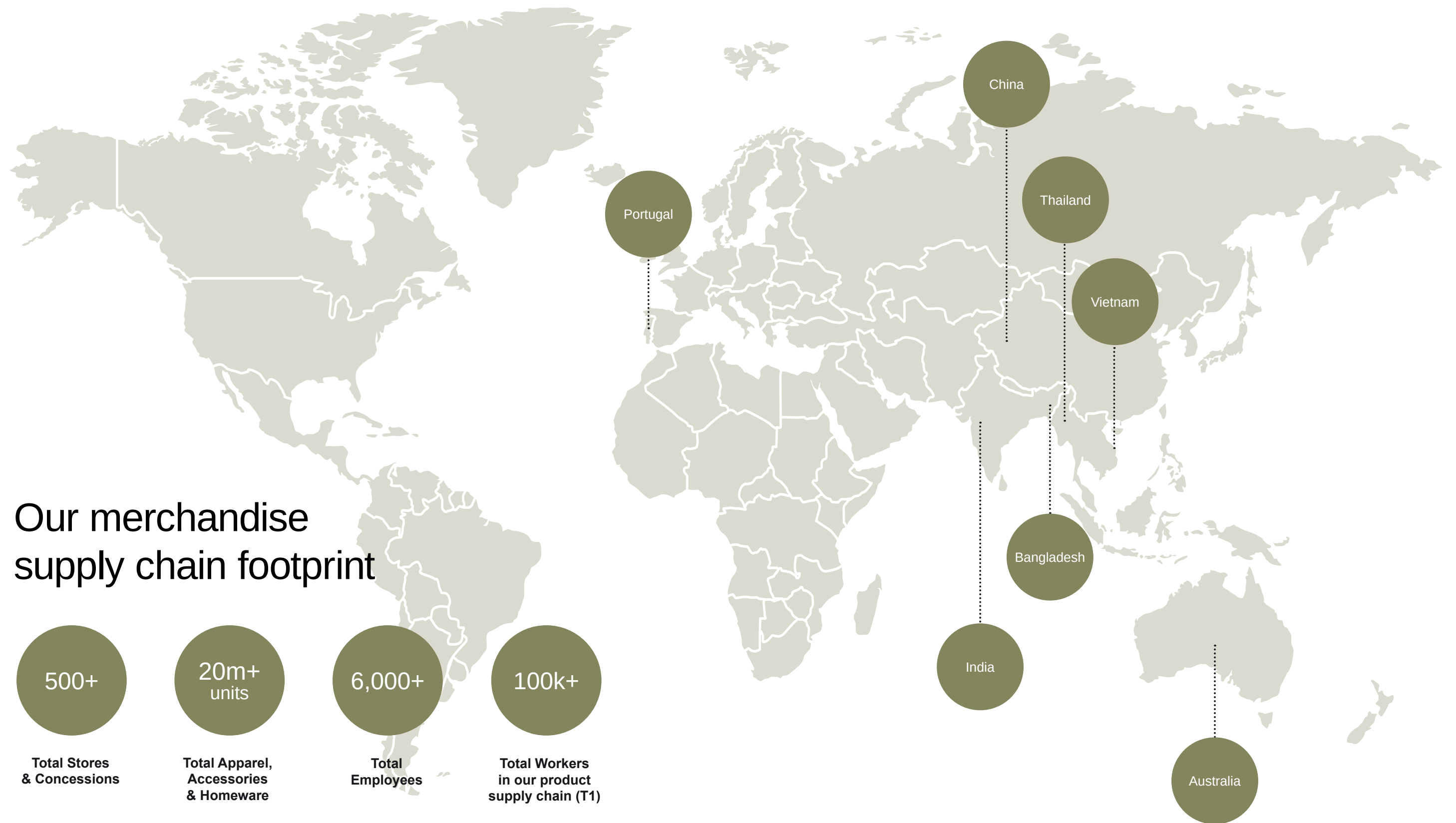
FY23 Merchandise - Supply statistics

Country	% of Units ⁴	Factories (Tier 1)
China	91.88%	163
Bangladesh	4.84%	12
India	1.37%	27
Australia	0.36%	16
Vietnam	0.34%	5
Thailand	0.33%	4
Portugal	0.23%	3
Other countries	0.65%	19

² <http://www.countryroadgroup.com.au/sustainability/our-suppliers.htm>

³ <https://www.countryroad.com.au/our-world/supplier-map/>; <https://www.witchery.com.au/know-your-clothes/supply-chain/>

⁴ "Unit" means an item of merchandise sourced for retail sale



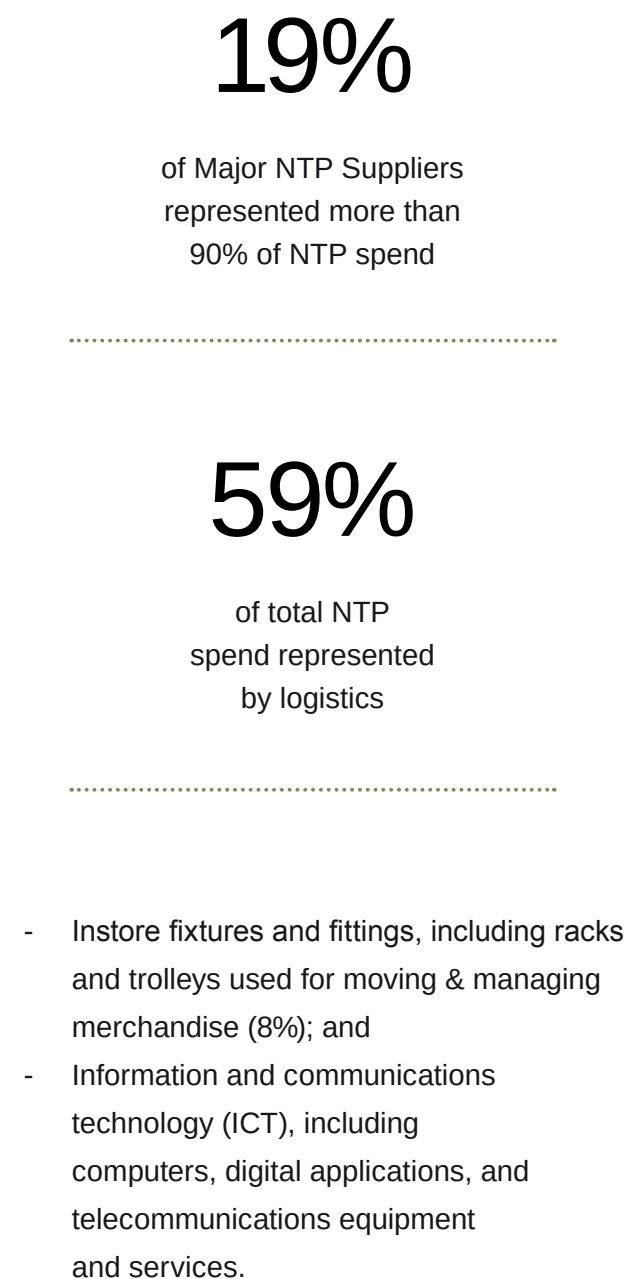
Our Non-Trade Procurement (NTP) Goods & Services

Non-trade goods and services that we procure for the support of the operation of our business activities were obtained primarily from 60 different suppliers across eight major categories of non-trade procurement throughout the reporting period. These 60 major suppliers represented over 90% of the total non-trade spend for the Country Road Group in FY23.

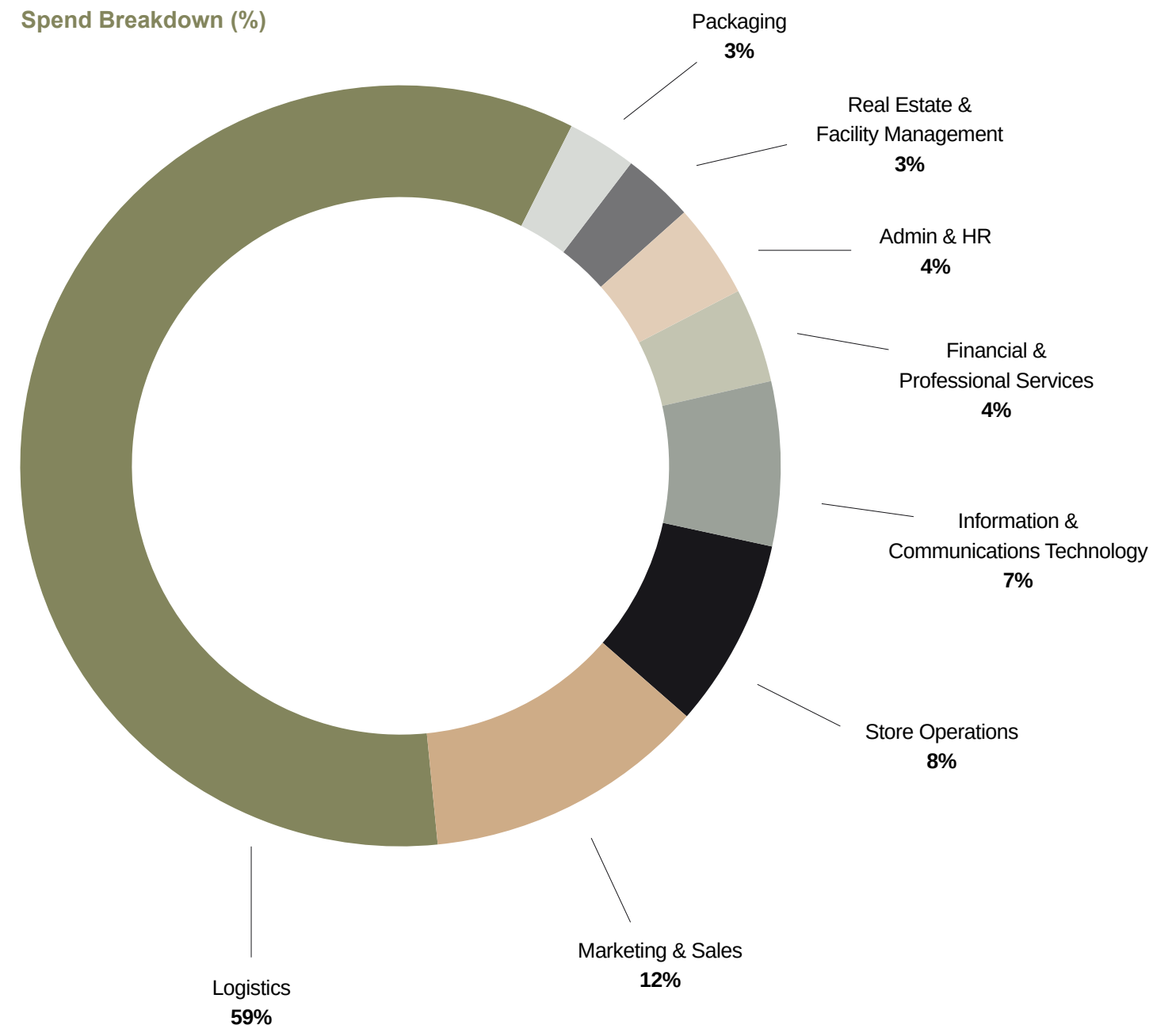
Most of these suppliers have their businesses incorporated and located in Australia, however the non-trade goods and services that we procure may involve both domestic and international activities.

The four key categories (by spend) of goods and services that we procure within our Non-Trade categories include:

- Logistics services, including merchandise freight and distribution (59%)
- Marketing materials and services, such as creative advertising services and photography services (12%)



Spend Breakdown (%)



A dark blue, long-sleeved button-down shirt is laid flat against a light, neutral background. The shirt is positioned diagonally, with the collar at the top center and the sleeves extending towards the bottom corners. The fabric appears smooth with some subtle creases. The text "MODERN SLAVERY RISKS" is overlaid in the bottom right corner in a bold, white, sans-serif font.

**MODERN
SLAVERY RISKS**

Modern slavery risks in our supply chains and operations

In this section, we aim to provide an overview of the potential areas where modern slavery risks may be present within the operations and supply chains of the Country Road Group.

It’s essential to acknowledge that while our various entities and brands share a common operational framework, there can be significant variations in the specific operations of each entity. These differences may be influenced by factors such as the geographical locations of stores, the complexity of supply chains, or the sources and types of raw materials used in the production of goods. Consequently, these variations can result in differing modern slavery risk profiles for specific entities within our group.

However, it’s crucial to emphasise that despite these differences, there are fundamental similarities in how each entity conducts its operations and manages supply chains. Our commitment to addressing modern slavery risks is not confined to individual entities but extends to encompass a holistic, Group-wide approach.

We are dedicated to thoroughly understanding and mitigating these risks across our entire organisation, emphasising a unified and comprehensive effort.

Modern slavery describes ‘situations where coercion, threats or deception are used to exploit victims and undermine or deprive them of their freedom⁵’. The MSA defines modern slavery as including eight forms of serious exploitation, which are explained in Appendix 2. Consistent with the United Nations’ ‘Guiding Principles on Business and Human Rights’ (UNGPs) and the Australian Government’s official guidance about the MSA, we understand modern slavery risks to mean the risk that we may ‘cause’, ‘contribute to’, or be ‘directly linked to’ modern slavery. These terms are explained in the following table.

Key Term	Explanation	Hypothetical example relevant to the fashion sector
Cause	A business may cause an adverse human rights impact, such as modern slavery, where it causes the impact through its own activities or omissions.	For example, a logistics company could cause modern slavery by exploiting its workers used to crew shipping vessels.
Contribute to	A business may contribute to an adverse human rights impact, such as modern slavery, where its actions or omissions facilitate or incentivise the impact to the extent that the harm would have been unlikely to occur without them.	For example, a fabric wholesaler could contribute to modern slavery where it requires its suppliers to reduce costs to a level that could only be achieved by using exploited workers.
Directly linked to	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.	For example, a fashion company could be directly linked to modern slavery where its supplier manufactures garments made using raw materials produced by a third supplier who exploits its workers.

⁵ https://modernslaveryregister.gov.au/resources/Commonwealth_Modern_Slavery_Act_Guidance_for_Reporting_Entities

“We continue to explore additional methods to further enhance our understanding of our modern slavery risk profile and inform our modern slavery risk management approach.”

CRG is aware that modern slavery is often part of a larger spectrum of human rights violations, which can include issues like substandard working conditions and the failure to provide decent work opportunities. Our commitment to addressing these issues goes beyond mere recognition. We have a comprehensive approach aimed at understanding and mitigating the risks associated with modern slavery, and we integrate these efforts seamlessly into our broader ethical sourcing and human rights program.

To thoroughly assess our operations and supply chain risks, we used the ‘cause’, ‘contribute to’, ‘directly linked to’ framework. The assessment’s findings indicate that the Country Road Group is not the primary instigator of modern slavery within its supply chains or operations. Instead, the modern slavery risks associated with our organisation, as detailed in our previous modern slavery statements and in this FY23 statement, are better described as “directly linked to”. These risks are located further down our supply chains, where the actions of our suppliers and their sub-suppliers may be

responsible for causing or contributing to instances of modern slavery.

In essence, this means that while we acknowledge and address these risks diligently, our efforts are particularly focused on areas where the actions of our suppliers and their extended networks are more likely to play a significant role in the possible presence of modern slavery. Our commitment remains steadfast in tackling these issues and working collaboratively with our suppliers to ensure ethical and responsible practices throughout our supply chains.

CRG recognises that it should try to build leverage where it finds it is directly linked to modern slavery and to use that leverage to address the modern slavery risks.

We continue to explore additional methods to further enhance our understanding of our modern slavery risk profile and inform our modern slavery risk management approach.

These strategies include:

- monitoring global news regarding human rights, forced labour and modern slavery issues,
- connecting with industry peers, NGO’s, and multi-stakeholder initiatives to stay abreast of the ever-changing risk landscape,
- consulting and utilising risk screening and monitoring technology partners (such as ELEVATE),
- ongoing monitoring of our suppliers by maintaining diligent and robust factory audits and SAQ’s (Self Assessment Questionnaires), and
- engaging with notable global experts to continually challenge our procedures and redirect our efforts to address risks.

Further information about these actions is set out in subsequent sections of this statement.



**ASSESSING AND
ADDRESSING RISKS**

Assessing and addressing modern slavery risks

During the FY20 reporting period, we undertook a risk assessment with an expert third-party organisation to identify potential areas of modern slavery risk across our operations and supply chains. The findings and guidance contained within the risk-assessment remain as relevant today as when first conducted.

For FY23, the consolidation of our suppliers and factories, along with the introduction of a ‘Group Sourcing’ structure and processes, significantly bolsters our visibility and ability to mitigate modern slavery risks. These measures allow us to work closely with our partners, share knowledge, and adopt standardised practices to protect against modern slavery within our supply chains. Our ongoing commitment to combating modern slavery remains unwavering, and we continue to evolve our strategies to meet this imperative ethical challenge head-on.

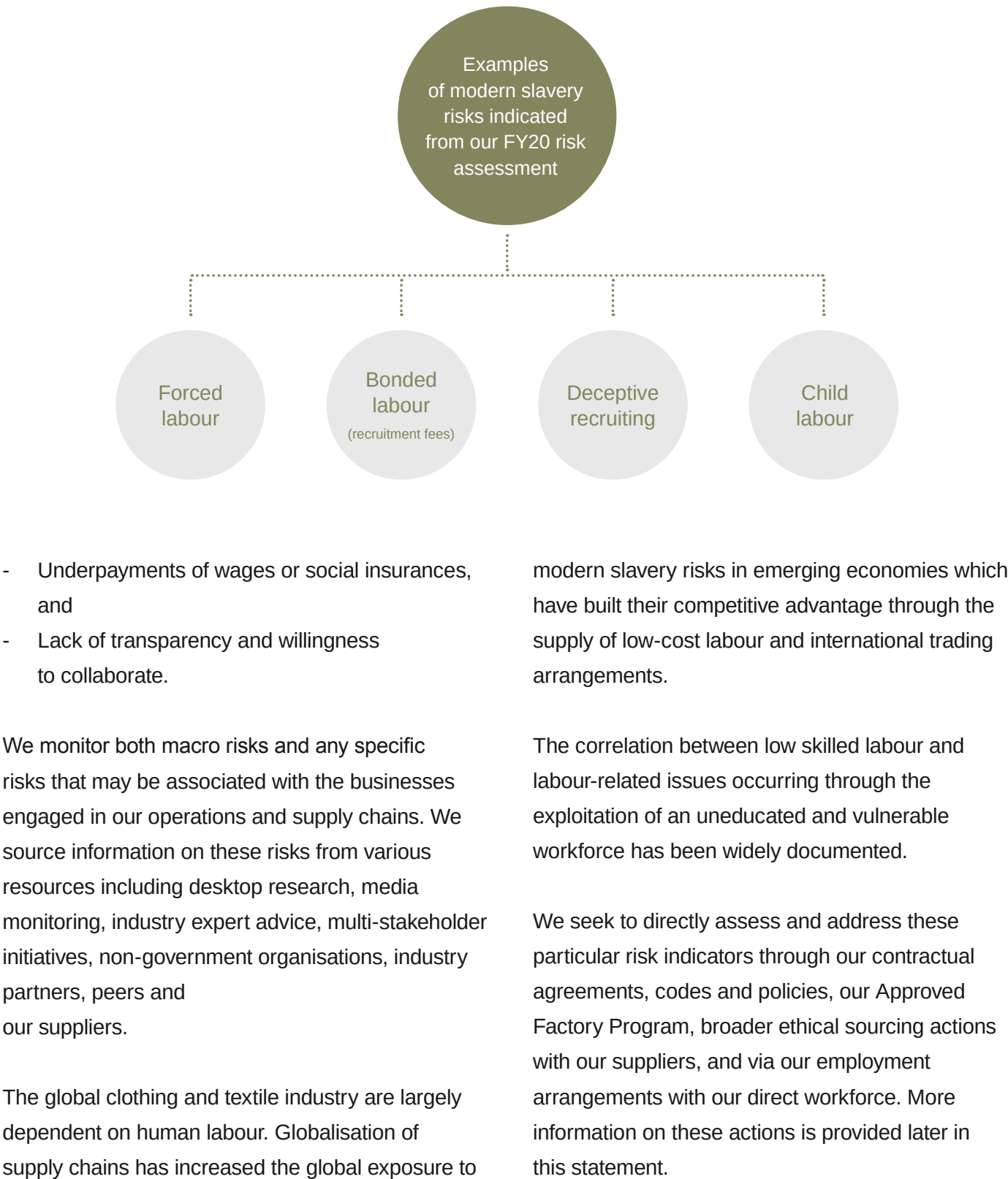
Applying information gathered from this risk assessment and reviewing the ongoing activities in our operations and supply chains, we determined the following types of modern slavery to be the most

at risk of having been caused, contributed to, or directly linked to Country Road Group in FY23:

- Forced labour
- Bonded labour (recruitment fees)
- Deceptive recruiting
- Child labour⁶

Underlying factors and indicators that drive these risks may include:

- Use of migrant labour or unskilled labour in supply chains (including the production of raw materials) where workers are more vulnerable to exploitation,
- Unauthorised subcontracting which could lead to unknown actors involved in the provision of goods or services who may be engaged in modern slavery,
- Potential involvement of children in extended supply chains, including in hazardous or harmful work, such as the production of raw materials.
- Extreme working conditions such as excessive overtime hours or lack of rest days,



⁶ The MSA specifies that modern slavery includes only “the worst forms of child labour”, however this reference to “child labour” in this statement refers to more general child labour risks

“We have assessed the risks of modern slavery occurring in our direct operations... as low.”

Potential modern slavery risk areas

We recognise that modern slavery risks can occur in entities' operations, as well as their supply chains. However, we have assessed the risks of modern slavery occurring in our direct operations (including our retail stores, head office support centre and the direct employment of our staff) as low.

This reflects the strong controls we have in place, which include employment contracts with all our directly employed team members which are aligned with either an Enterprise Bargaining Agreement, relevant Award, or Individual Employment Contract.

We also comply with relevant workplace laws, including the Australian *Fair Work Act 2009* (Cth). Our people team regularly review our employment agreements and our internal people policies to ensure that they meet, and where possible exceed, legal requirements.

As set out in the accompanying table, we recognise that broader elements of our operations and supply chains, including engagement of service providers to support our activities, may pose potential modern slavery risks.

We note that identifying human rights issues in our Chinese-based supply chain continued to be hindered by COVID-19 related restrictions to on-site and in-field assessments.

In addition to the above noted modern slavery risks, we also monitor our operations and supply chain for human rights and environmental risks not related to modern slavery. Many of these additional risks are identified and noted within our Good Business Journey Sustainability Reports published by our parent company Woolworths Holding Limited (WHL) headquartered in Cape Town, South Africa⁷.

Risk areas in our operations		
Context		Potential hypothetical examples
Industry risk factors	We engage service providers to support our operations from industries recognised as having higher modern slavery risks, including logistics, cleaning, security and labour hire for our stores & OFC.	- Logistics service providers or their subcontractors could exploit workers providing services on Country Road Group sites. - Labour hire workers engaged through third parties to work in our OFC could be exploited by the labour hire provider.

Risk areas in our supply chains		
Context		Potential hypothetical examples
Geographic risk factors	We source and procure merchandise and goods that are not-for-retail from a range of countries, including countries which may have a higher vulnerability to modern slavery due to factors such as poor rule of law. We recognise the extended impacts of COVID on workforces globally: With labour shortages in all regions of supply leading directly to reductions in production capacities. This increases the risk of excessive overtime being used to fulfill order commitments and to creating environments within which modern slavery risks may appear.	- Workers producing raw materials such as cotton and ceramics in our extended retail supply chain could be subject to exploitation. - Workers involved in manufacturing activities in our extended retail supply chain (such as factory workers) could be exploited by factory managers. - Logistics workers involved in the warehousing and distribution of products (including seafarers) could be subject to exploitation.
Industry risk factors	The garment and footwear sector are recognised as a high-risk sector for modern slavery globally, including due to the widespread use of migrant labour and high levels of subcontracting. There are also risks associated with the transport and logistics sector, including in relation to the warehousing and shipping of merchandise and other products.	- Workers involved in the manufacturing of not-for-retail products such as IT equipment could be subject to exploitation (including workers involved in the sourcing of raw materials).
Commodity risk factors	Key agricultural commodities have been widely documented to be of higher risk of potential modern slavery. This includes the harvesting and cultivation of cotton, and the collection of PET bottles used to make recycled polyester.	

⁷ <https://www.woolworthsholdings.co.za/sustainability/reports>

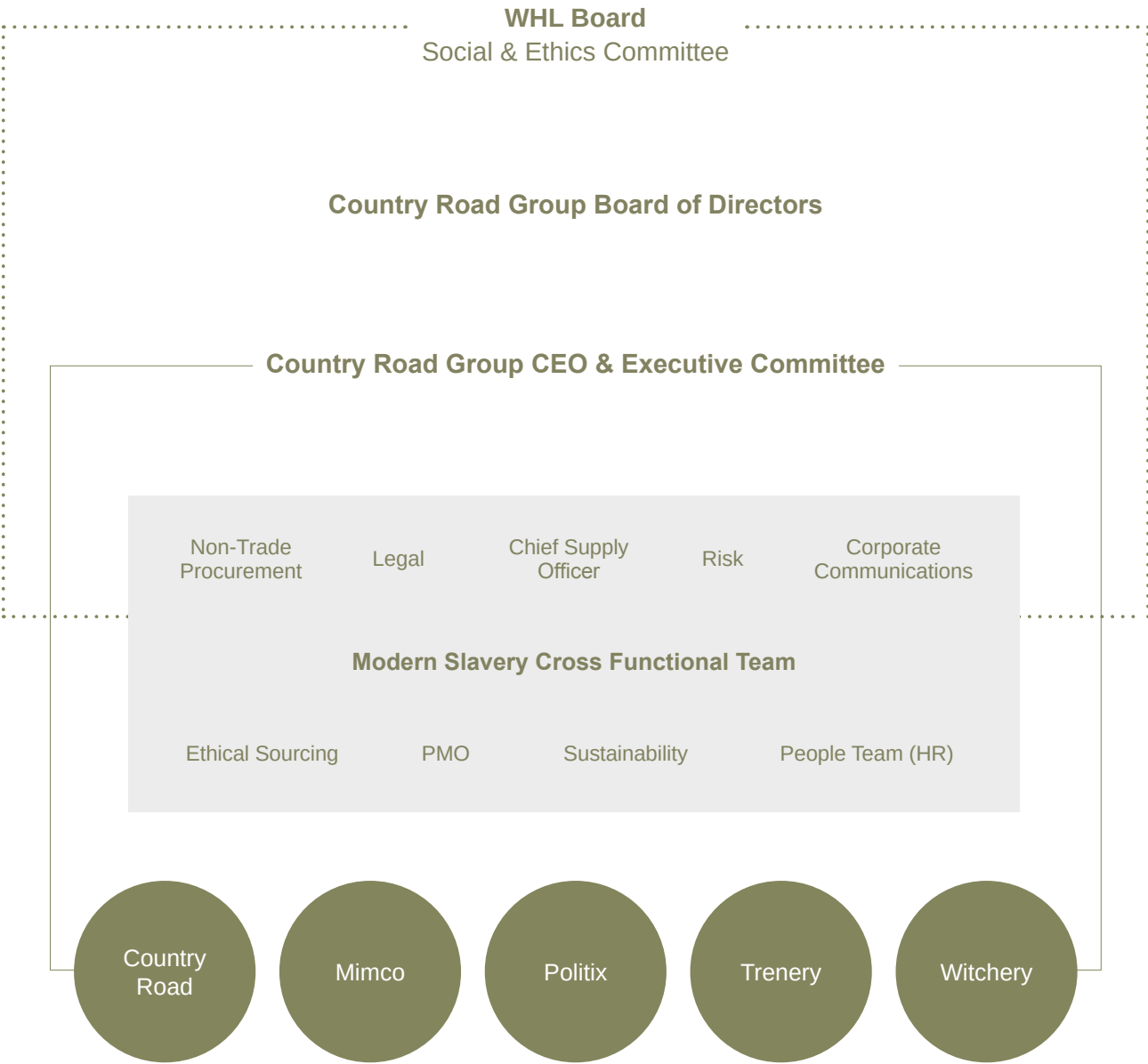
During this reporting period, we’ve taken a hands-on approach to try out new actions that help us better understand and tackle modern slavery and broader human rights risks.

We acknowledge that identifying and addressing modern slavery can be challenging. That’s why we’re dedicated to using practical methods to uncover and address these risks in our supply chains and operations. We approach this work with agility and adaptability, always looking for better ways to identify and tackle modern slavery and human rights issues.

In this section, we’ll explain how we’ve integrated the fight against modern slavery into our company’s structure. We’ll also outline our policies, as well as how we check for and fix problems related to modern slavery and human rights. This will give you a clearer picture of our comprehensive approach to these important matters.

Governance

Human rights responsibilities (including in relation to modern slavery) are managed at the highest level across our companies and are integrated into our governance framework. The board of Country Road Group is directly responsible for the activities taken by all owned and controlled Australian entities to assess and address modern slavery risks, including our reporting obligations under the MSA. Our ultimate parent company, WHL, also has direct oversight on modern slavery through the WHL Social and Ethics Committee.



“We will continually review the existing risks and mitigation strategies at a more granular level to assess the effectiveness of current controls and identify opportunities for improvement.”

The Country Road Group Executive Team retained “Modern Slavery” (as a subset of our “Good Business Journey”) within the Corporate Risk Register. This places our Good Business Journey on the highest-level agenda for our companies and continues to elevate the voice of human rights (including in relation to modern slavery) within our business. Through being on the Corporate Risk Register, we will continually review the existing risks and mitigation strategies at a more granular level to assess the effectiveness of current controls and identify opportunities for improvement.

On a day-to-day basis, we monitor and manage modern slavery risks related to our business activities through our Modern Slavery Cross-Functional Team (CFT). The CFT, comprising representatives from Human Resources, Legal, Risk and Ethical Sourcing Teams, meets on a regular basis to share information on modern slavery actions across the business, to embed modern slavery and broader human rights knowledge deeper into our businesses, and to provide key inputs and consultation into the development of this statement. Members of the CFT are to provide updates (as required) to senior executives including the CEO, Company Secretary, Executive Committee, General Counsel, and the Chief Supply Officer





Case Study 1

Researching and Engaging Country Road Group's Non-Trade Suppliers

Country Road Group is a large, multifaceted organisation with operations spanning diverse sectors, including real estate & facility management, logistics, marketing & sales, information and communications technology, financial and professional services, admin & human resources, store operations, and packaging. Some of these sectors are considered higher risk for modern slavery due to industry characteristics, geographic location, or the nature of commodities involved.

In response to changing business dynamics, we revaluated our approach to address modern slavery risks among non-trade suppliers. After careful consideration, we determined that logistics suppliers represented a pivotal area of focus due to the substantial amount spent with those suppliers within our organisation. By prioritising logistics suppliers, we aim to make a meaningful impact on mitigating modern slavery risks within our supply chain.

During FY23, Country Road Group's initial research phase involved the following key activities:

Spend Analysis: Data relating to the total amount spent with all non-trade suppliers across the entire Country Road Group was collected and analysed. The brands, locations, and goods and services attracting the most amount of spend was deduced, and suppliers of logistics-related goods and services were identified as the vastly significant portion of the Country Road Group's total non-trade procurement spend.

Risk Assessment: A record of any modern slavery and/or human rights-related policies published or previously provided by any non-trade suppliers was compiled and reviewed. A list of suppliers that seemingly lacked those policies were identified as priority targets for engagement.

Supplier Engagement: A number of CRG's major non-trade suppliers were engaged to discuss the importance of modern slavery and human rights policies, and transparency and ethical practices in supply chains. They were also invited to fill out a questionnaire.

We now have records of these discussions and the results of the questionnaires, which will be a valuable resource as we continue to assess and address modern slavery risks with our non-trade suppliers.

“While we acknowledge that our journey to mitigate modern slavery risks within our supply chain is ongoing, our strategic shift towards prioritising logistics suppliers represents a crucial step forward. We remain committed to ethical sourcing and transparency, recognising the need to address modern slavery systematically.”



Case Study 2

Streamlining the CRG Group Sourcing Function: Strengthening Ethical Practices

Our mission at CRG has always been to deliver exceptional products to our customers while upholding the highest ethical standards. In FY23, we undertook a substantial transformation of our business structure by enhancing the CRG Group Sourcing Function through the complete integration of sourcing and product development teams.

This centralised approach ensures that we exclusively collaborate with suppliers who adhere to our stringent standards, encompassing quality, sustainability, and social responsibilities.

In the context of modern slavery prevention, agility is essential in responding to market demands. By centralising our sourcing efforts, we've streamlined our go-to-market processes. This enables us to respond swiftly to market demands, trends, and customer preferences, ensuring that we consistently uphold our commitment to responsible and ethical practices throughout the supply chain.

Our dedication to ethical standards and practices remains unwavering. The Country Road Group Sourcing Function aligns seamlessly with our sustainability objectives, guaranteeing that ethical and sustainable practices are seamlessly integrated into every aspect of our product design, development, and supply chain. It marks a significant step toward a more responsible and environmentally conscious future, firmly rooted in our commitment to protecting against the risks of modern slavery.

At CRG, we believe in redefining the possibilities within retail, and the introduction of the Country Road Group Sourcing Function represents a significant stride in that direction. We're enthusiastic about the future and eagerly anticipate collaborating with our stakeholders to create an even more exceptional and sustainable retail experience.

“This suite of codes helps to effectively manage modern slavery and broader human rights risks in our supply chains and our operations.”

Policy Controls

Country Road Group has a clear set of codes, policies, and protocols with which our people and suppliers are required to adhere. These codes and policies operate equivalently and consistently across the full group, including owned and controlled entities. This suite of codes helps to effectively manage modern slavery and broader human rights risks in our supply chains and our operations. We understand that the implementation of these policies should focus not only on the risks to the business, but on preventing and addressing risks to people.

These core documents are accessible to staff members and suppliers either as an addendum to their contracts, on our company intranet, through the supplier portal and in some cases, on our corporate or brand websites.

Some of the key control documents and policies include:

Policy, Protocol or Mechanism	Description
Employment Contracts	Formal legal agreements between Country Road Group and employees which clearly specifies each party’s responsibilities including regarding adherence to laws, our codes, and policies.
Award/Enterprise Agreements	Formal agreements setting out our terms and conditions of employment, wage rates, overtime rules and leave arrangements.
Employee Code of Conduct	Details the standards of behaviour and ethical conduct expected of employees.
Workplace Behaviour and EEO Policy	Sets out obligations to behave appropriately in the workplace and provides guidelines on access support and how to resolve a complaint.
Discrimination, Harassment and Bullying Policy	Establishes prohibited behaviours in the workplace and provides guidelines and processes for resolution of concerns in relation to workplace behaviour.
Whistle-blower policy	Provides guidance on how improper or criminal conduct (such as instances of modern slavery) can be confidentially disclosed and will be investigated.
Ethics Hotline Procedure	Details the procedure by which complaints or tip-offs made to the Ethics Hotline via phone, email or submitted to the website will be received, escalated, and managed.
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.
Supplier Agreements	Formal legal agreements between Country Road Group and suppliers which clearly specifies each party’s responsibilities including regarding adherence to laws, our codes, and policies.

Country Road Group suppliers are typically engaged via Country Road Group's standard-form 'Supplier Agreement'. This agreement requires them to adhere to Country Road Group's 'Code of Labour Practice'. The code prohibits the use of slavery-like practices, including forced labour and child labour. It also outlines expectations to prevent discrimination, excessive working hours, unsafe working conditions, or anti-unionisation measures that may lay the foundations for modern slavery to occur. Compliance with the Code and Supplier Agreement is monitored through the "Approved Factory Program" (AFP) which involves independent third-party social compliance auditing of factories producing our products. Non-compliances identified in these audits result in a corrective plan being implemented which are then monitored to ensure all issues are rectified.

Case Study 3

Charting Our Path to Living Wages: The Living Wage Roadmap

In our ongoing commitment to ethical and sustainable practices, we embarked on a significant milestone in the journey towards achieving living wages for all tier 1 merchandise workers. As part of our Good Business Journey, we recognised that achieving living wages is a complex and challenging objective. However, we firmly believe that every step in the right direction matters. In FY23, we took the crucial first step by creating and finalising our Living Wage Roadmap.

This document is a strategic plan that outlines our goals, clear objectives, deliverables, milestones, timelines to stay on track, and the resources required to achieve them. This dynamic document will serve as our guiding star as we navigate the complexities of achieving living wages within our supply chain.

We also recognise that this is a long-term objective that requires sustained effort and collaboration. As we move forward, we remain committed to regularly reviewing and updating our roadmap to adapt to changing circumstances and continuing to make meaningful strides towards the realisation of living wages throughout our operations and supply chain.

To ensure the effective implementation of our roadmap, Ethical Sourcing teams from Woolworths Holdings Limited (WHL) and CRG meet regularly. These meetings are dedicated to discussing the progress of our living wage initiatives, sharing insights, and making any necessary adjustments to our strategies. This collaborative effort reinforces our commitment to continuous improvement and transparency in our journey to enable living wages.

A summary of our Living Wage Roadmap:

Identify Our Focus: We identified the key areas within our operations and supply chain where achieving living wages is most critical.

Identify Current Wage Levels: The existing wage structures in the regions of focus are researched and evaluated on an ongoing basis, with a clear differentiation between minimum wages and living wages. Our work on this will persist into FY24, facilitated by a recently procured tool known as 'Our Supply Chain'.

Measure the Wage Gap: We are actively engaged in the process of conducting a wage gap analysis, and this work will also continue in FY24. This analysis is rooted in our initial research, which compares minimum wages to actual wages and assesses variations between actual wages and living wages. These findings will serve as the cornerstone for shaping our strategic initiatives.

Work to Close Living Wage Gaps: The objective of our Living Wage Roadmap is not merely to identify issues, but to take concrete actions to close these wage gaps. Once the wage gap analysis is complete, this work can begin.

Collaborate and Advocate: We understand that systemic change requires collective effort. An ongoing action under the Living Wage Roadmap has been to collaborate with stakeholders across our industry and advocate for fair wages while sharing best practices.



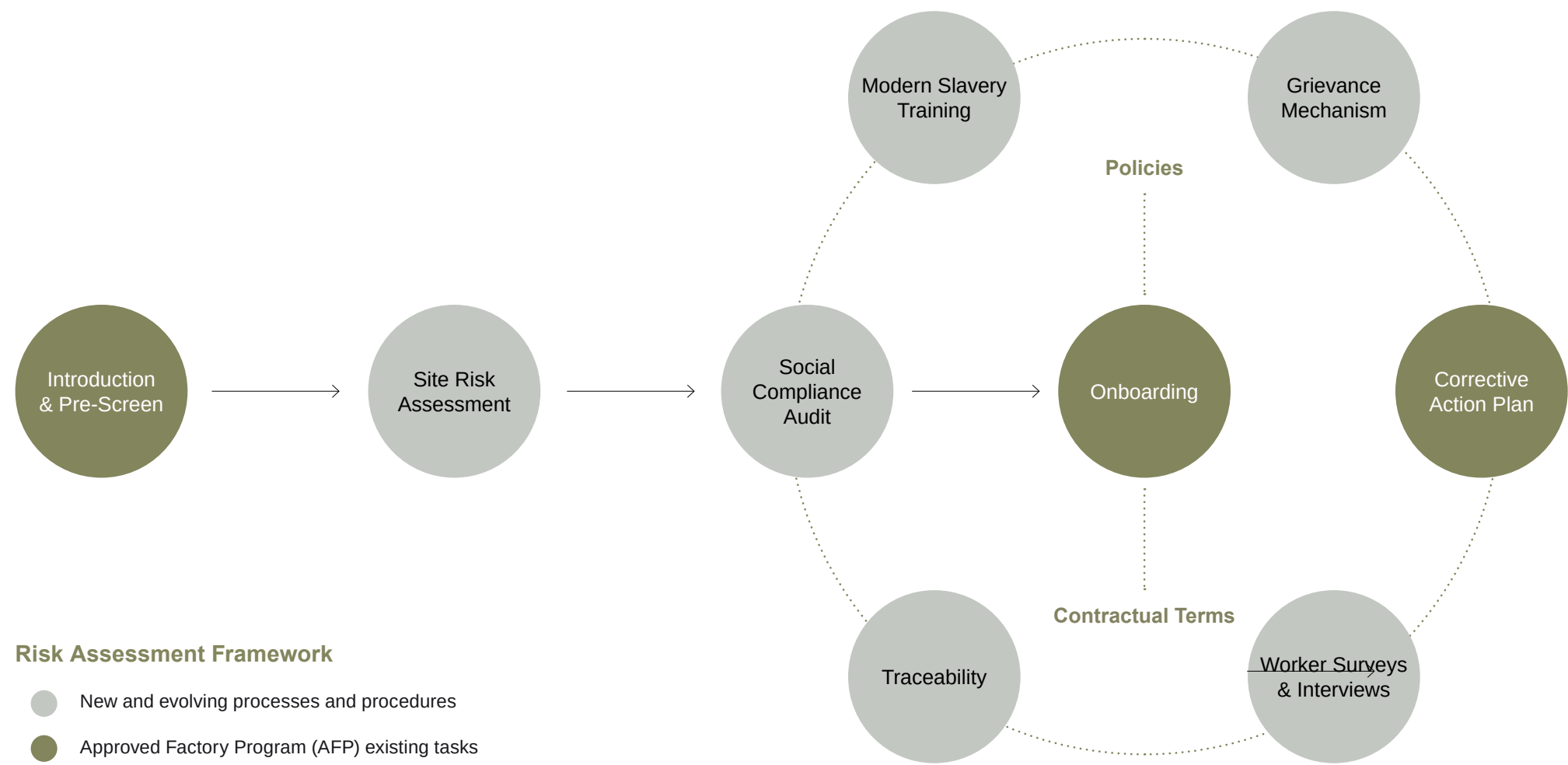
Merchandise supply chain risks

Due Diligence Process

We take several actions in our due diligence to identify and assess any actual or potential human rights impacts in our operations and supply chains. Our human rights approach, which includes modern slavery, is aligned to the concept of human rights due diligence in the UNGPs.

We understand that our supply chain operates in an environment with a higher risk of potential labour-related issues due to geographical and industry risk factors. Our Approved Factory Program continues to be our primary management tool for identifying, preventing, and mitigating any violations of human rights, including forms of modern slavery.

Country Road Group's Approved Factory Program involves suppliers' factories being assessed against our updated Supplier Code of Labour Practice, which is aligned to the Ethical Trading Initiative Base Code. Assessments are carried out through a range of methods including self-assessment questionnaires and on-site audits conducted by independent certified third parties that identify and assess actual and potential human rights risks, including modern slavery.



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

Through these audits, factories are assessed to identify workplace indicators that may lead to, or be a red flag for, modern slavery. This provides our business and the suppliers’ factories with clear corrective action plans to verify, remedy and close non-compliance issues.

These factory assessments are administrated and monitored by CRG’s Ethical Sourcing Team based in Melbourne, and findings from these assessments are recorded and reported on in both ad-hoc and regular reporting processes. The most critical issues, where immediate interventions are required, are escalated to relevant stakeholders and our executive level for awareness, consultation, and approval of actions to address issues. Resolution may include termination of supplier relationships where required, but our aim is always to work with suppliers to resolve issues where possible.

Despite generally acknowledged shortcomings associated with moment-in-time audits, social compliance audits remain an important tool for engaging our suppliers and factories. 76 social

compliance audits (representing 30% of factories) were conducted during FY23 that were then assessed by CRG’s Ethical Sourcing Team. Partially in response to the mandate from the Supplier Ethical Data Exchange platform (SEDEX), we achieved a significant portion (92%) of active factories registering for SEDEX. SEDEX is a system which provides increased visibility of factory risk profiles and enables active management of non-compliance and audit renewal schedules.

No instances of modern slavery were identified through Approved Factory Program audits during this reporting period. The steps taken to address broader issues identified in the FY23 Approved Factory Program audits are discussed in the below section titled “Tackling the Main Issues”.

CRG’s Approved Factory Program captures all ‘Tier 1 factories’ (i.e. those involved in the production of finished goods), as they are most directly associated with CRG and hence CRG has a greater ability to influence change.





Case Study 4

Supporting Our Suppliers to Identify and Address Ethical Issues

CRG regularly requires its suppliers to conduct ethical audits to ensure compliance with ethical standards. During one such audit in Thailand, it was revealed that workers at the supplier's facility were incurring recruitment fees. According to the Ethical Trading Initiative base code, workers should not be subjected to any recruitment fees during the hiring process.

Recognising this violation, CRG promptly brought the matter to the attention of its Chief Supply Officer as well as the supplier's management team, initiating a collaborative effort to rectify the situation.

Recognizing the serious nature of the violation, CRG engaged in close cooperation with the supplier to develop and implement a comprehensive recruitment policy that extended its protective provisions to all workers, including migrant workers and subcontracted employees.

In acknowledgment of the financial burden experienced by the affected workers, the

supplier agreed that it would reimburse the recruitment fees they had incurred.

Ultimately, CRG had to terminate its relationship with this supplier due to non-compliance with other health and safety matters. CRG remained steadfast in its commitment to transparency within the supply chain, and emphasised that all suppliers must adhere to CRG's supplier requirements and comply with the Country Road Group Code of Labour Practice. In taking this stringent approach, CRG seeks to highlight its determination to produce its products ethically and sustainably.

Country Road Group's commitment to ethical compliance is exemplified through this case study. By prioritizing the well-being and rights of workers, CRG demonstrated its dedication to the principles outlined by the Ethical Trading Initiative. CRG's unwavering focus on maintaining transparency and ensuring supplier requirements are met highlights its dedication to sustainable and ethical production processes.

“Recognising the serious nature of the violation, CRG engaged in close cooperation with the supplier to develop and implement a comprehensive recruitment policy that extended its protective provisions to all workers, including migrant workers and subcontracted employees.”

“Through these audits, factories are assessed to identify workplace indicators that may lead to, or be a red flag for, modern slavery.”

Strengthening our Approved Factory Program

In accordance with the principles outlined in the risk assessment that CRG commissioned from ELEVATE in 2019, CRG continued during this reporting period to interrogate and identify areas requiring new controls to improve monitoring and management of modern slavery risks. These actions included:

- Utilisation of the ‘Radar’ tool made available in the SEDEX platform, which is a supplier risk assessment tool that analyses risks by country, sector and site, with the ability to prioritise issues and generate action plans.
- Our Ethical Sourcing Team maintained a central register of all issues identified in the Approved Factory Program, which was then used during internal monthly compliance meetings to monitor and drive remedial action with suppliers.

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. Our investment in the ‘Our Supply Chain’ tool exemplifies our dedication to transforming data management practices within our supply chain. By utilising its capabilities to capture audit data, address non-conformances, manage worker information, and calculate living wages, we are taking tangible steps towards our commitment to ethical compliance and sustainability. As we continue to refine our processes and expand the tool’s utilisation, we remain resolute in our pursuit of a more transparent, responsible, and ethical supply chain ecosystem.



“We sought to empower and equip all stakeholders with the knowledge, tools, and strategies necessary to address these challenges head-on.”

Tackling the main issues

During FY23, the predominant concerns identified in the Approved Factory Program’s Tier 1 factory audits were: the persistence of extended working hours (including overtime), and the absence of designated rest days. To a lesser extent, there were also some occupational health and safety risks identified (particularly with respect to fire safety).

In response to these findings, CRG continued to forge collaborative partnerships with industry specialists, securing their tailored training and guidance for our Ethical Sourcing Team.

Moreover, we recognised the importance of extending this valuable support to our network of suppliers and factory partners. The intention behind this was not merely reactive but transformative. We sought to empower and equip all stakeholders with the knowledge, tools, and strategies necessary to address these challenges head-on.

By doing so, our ultimate goal was to effectively confront the complexities of non-compliance issues, elevate the competencies of our teams, and empower factory management. We firmly believe that these collaborative efforts will result in sustainable, long-term improvements in compliance and ethical sourcing practices throughout our supply chain, ensuring a brighter, more responsible future for all involved.





Case Study 5

Strengthening Country Road Group's Approved Factory Program (the onboarding process for suppliers and factories)

At Country Road Group, we firmly believe in the principle of continuous improvement. This approach extends to all aspects of our business, including supplier relationships and factory onboarding. We recognize that modern slavery and unethical practices can only be effectively eradicated by implementing robust systems and processes that evolve over time.

During FY23, we have taken significant steps to improve the way we onboard new suppliers and factories. The focus of these enhancements has been to ensure that we gather comprehensive information about their operations, capabilities, and commitment to sustainability and ethical compliance. Central to our enhanced onboarding process is the introduction of a more detailed "supplier request form". This form is now provided to suppliers as a part of their onboarding journey.

The form includes sections that delve into various aspects of the supplier's operations, including:

- **Factory Details:** Information about the physical facilities, locations, and production capacities.
- **Subcontracted Work:** Transparency about any subcontracted work and the associated practices.
- **Development Capabilities:** Insights into the supplier's capabilities for innovation, product development, and quality control.
- **Sustainability Roadmap:** A roadmap outlining the supplier's commitment to sustainability, including environmental considerations and social responsibility.
- **Ethical Compliance:** Information about the supplier's efforts to ensure ethical compliance, including fair labour practices and preventing modern slavery.

Four-Stage Approval Process:

To ensure that new suppliers meet our stringent ethical and sustainability standards, we have established a four-stage approval process within the Country Road Group sourcing structure.

This process involves thorough scrutiny at key points:

- **Sourcing Specialist:** The initial stage involves a review by a sourcing specialist who evaluates the supplier's capabilities and fit within our supply chain.
- **Ethical Sourcing Specialist:** In the second stage, an ethical sourcing specialist examines the supplier's ethical practices and ensures alignment with our values & requirements.
- **Legal Review:** The third stage involves a legal review to ensure that contractual agreements align with our standards and expectations.
- **GM of Product Development & Sourcing Approval:** Finally, the Chief Supply Officer provides the ultimate approval, ensuring that the supplier's practices and commitments are in line with our company's mission.

This four-stage approval process underscores our commitment to transparency and accountability. By subjecting potential suppliers to thorough evaluations across various dimensions, we ensure that our Approved Factory Program encompasses not only quality and efficiency but also ethics and sustainability.



Case Study 6

Modern Slavery Webinar for Merchandise Suppliers by CRG's Ethical Sourcing Team

CRG aims to strengthen our ethical sourcing practices and ensure that its suppliers are well-equipped to identify, address, and mitigate instances of modern slavery within their operations. In FY23, CRG's Ethical Sourcing Team organised and delivered a modern slavery webinar to engage and educate more than 80 merchandise suppliers on this pressing issue. This case study highlights the successful execution and impact of the webinar, the first of its kind within the company.

The primary objectives of the modern slavery webinar were as follows:

Raise Awareness: Educate merchandise suppliers about the concept of modern slavery, its forms, prevalence, and potential impact on the supply chain.

Knowledge: Equip suppliers with the necessary knowledge and tools to identify signs of modern slavery within their own operations and amongst their subcontractors.

Risk Mitigation: Provide practical insights and strategies to mitigate the risk of modern slavery, enhancing supply chain resilience and ethical practices.

The webinar covered the following key areas:

Introduction to Modern Slavery: An overview of modern slavery, its global dimensions, and its relevance within the context of the merchandise supply chain.

Identification of Indicators: Detailed discussion on identifying indicators of modern slavery, including forced labor, human trafficking, and exploitative working conditions.

Supplier Responsibilities: Outlining the ethical and legal responsibilities of suppliers to prevent, detect, and address instances of modern slavery.

Best Practices: Sharing best practices and actionable steps that suppliers can take to mitigate the risk of modern slavery within their operations.

Q&A Session: An interactive Q&A session allowing suppliers to clarify doubts, seek guidance, and share their experiences.

CRG considers that the webinar achieved the following:

Increased Awareness: The webinar succeeded in raising awareness about modern slavery, with over 80 suppliers gaining insights into its multifaceted nature.

Enhanced Knowledge: Our suppliers were empowered with the knowledge to identify potential instances of modern slavery within their supply chains, bolstering their ability to take corrective actions.

Mitigated Risk: Armed with the best practices shared during the webinar, suppliers were better prepared to identify, prevent, and mitigate modern slavery risks, contributing to a more ethical and sustainable supply chain.

Strengthened Collaboration: The webinar fostered a sense of collaboration between the group and our suppliers, demonstrating CRG's commitment to working together towards a shared goal of ethical sourcing.

“Each of these workers, and the hundreds of thousands more involved... are important to our business.”

Mapping the supply chain to identify risks

Knowing your supply chain is the first step in identifying the risks, assessing the risks, and putting actions in place to address and remedy the risks.

We have estimated over 100,000 workers are employed in our Tier-1 factories many of whom would be involved in the production of our merchandise. Each of these workers, and the hundreds of thousands more involved in the cultivation, processing, transformation, and manufacturing of our products in earlier stages of production, are important to our business. We work with diligence and focus to ensure their safety.

We regularly collect data from our Tier-1 factories, mostly through the Approved Factory Program audit procedures, but also through more targeted information gathering activities (such as a supplier

sentiment survey or a grievance mechanism survey). Critical information is collected to identify potentially vulnerable people in our supply chain.

Some of the data includes:

- Total worker numbers at each factory site,
- Gender ratios within each factory site, and
- Percentage of international migrant workers at each site.





Case Study 7

Enhancing Ethical Compliance Data Management through ‘Our Supply Chain’

In our previous modern slavery statement, we emphasised our dedication to working towards heightened transparency. In line with this commitment, we have made a strategic investment in a software platform known as ‘Our Supply Chain’ (OSC) which is offered by a third-party, DNDP Pty Ltd. This serves our efforts to enhance data management related to ethical compliance and sustainability goals.

The complexity of global supply chains and the potential for ethical non-compliance necessitate robust data management systems to track, evaluate, and improve our practices. Traditional methods of data collection and management proved inadequate in providing real-time insights and holistic views of our supply chain practices. Capturing audit data, monitoring non-conformances, and accurately assessing workers’ information, including wages, posed significant challenges.

OSC emerged as a transformative solution to streamline our data management processes and align with our sustainability and ethical compliance objectives. This tool provides a comprehensive framework to effectively manage our supply chain operations, audit processes, and worker-related data.

The following points highlight how OSC addresses our data management needs:

Audit Data Capture: OSC facilitates seamless capture of audit data across our entire supply chain. Automated data entry and real-time updates enable us to gain insights into supplier practices promptly.

Non-Conformance Tracking: One of the critical components of ethical compliance is addressing non-conformance findings from audits. OSC offers an integrated system to log, track, and manage non-conformances. This promotes accountability and transparency in rectifying non-compliant practices throughout the supply chain.

Worker Information Management: Accurate and comprehensive worker information is essential for evaluating wage practices and ensuring fair compensation. OSC centralises worker data, allowing us to gather accurate wage information, monitor working conditions, and identify instances of potential exploitation.

Living Wage Calculation: Determining living wages is a complex endeavour requiring extensive data analysis. OSC’s data integration capabilities enable us to collate worker information, cost of living data, and regional economic factors. This empowers us to make more accurate assessments of living wages for workers in various regions.

Automated Proactive Audit Reminders: OSC automates the process of sending audit reminders to suppliers and partners. This proactive approach ensures that compliance activities are carried out on time, reducing the chances of non-compliance due to oversight.

Certification Management: Managing various certifications required for ethical compliance can be complex. OSC provides a unified platform for certification management, helping us track, update, and renew certifications efficiently.

Results and Future Outlook: While we acknowledge that we are in the early stages of integrating OSC, we are already witnessing positive outcomes in our data management and sustainability endeavours. The tool’s capabilities align with our long-term objectives of ensuring ethical practices. It provides a foundation upon which we can build more advanced data analytics and predictive modelling, allowing us to make informed decisions to further improve our supply chain practices and support our broader Good Business Journey goals.

Our investment in OSC exemplifies our dedication to transforming data management practices within our supply chain. By utilising its capabilities to capture audit data, address non-conformances, manage worker information, and calculate living wages, we are taking tangible steps towards our commitment to ethical compliance and sustainability. As we continue to refine our processes and expand the tool’s utilisation, we remain resolute in our pursuit of a more transparent, responsible, and ethical supply chain ecosystem.



**WORKER SENTIMENT;
WORKER VOICE**

Worker Sentiment; Worker Voice

To continue “Embracing Change, Elevating Standards” in assessing and addressing modern slavery risks, we must engage with and promote the voices of the most vulnerable workers who may be at risk of modern slavery.

Case Study 8

Enhancing Worker Well-Being Through a Worker Sentiment Survey



CRG recognises the importance of gaining deeper insights into worker experiences and the effectiveness of grievance mechanisms.

In FY22, CRG’s Ethical Sourcing Team organised a grievance mechanism webinar for its suppliers and associated factories to promote positive worker experiences and mitigate human rights risks. Following the webinar, a post-webinar survey was conducted to assess suppliers’ current procedures against best-practice principles shared during the event. Most suppliers and factories rated themselves highly, declaring no issues, prompting CRG to take a different approach in FY23.

In FY23, CRG engaged with five factory suppliers to participate in the worker sentiment survey which aims to provide a direct, anonymous channel for workers to share their feedback. The engagement process involved informing the selected suppliers about the project’s objectives and securing their commitment to participate. All 5 suppliers were satisfied with the approach and confirmed their willingness to participate.

CRG collaborated with ELEVATE, a renowned sustainability and supply chain solutions provider, to assist in implementing the survey.

The ELEVATE team took on the responsibility of contacting the selected factories and coordinating the project.

The survey is designed to gather worker insights and sentiment on several key areas, including:

- Grievance Mechanisms
- Wages
- Work Atmosphere
- Safety and Productivity
- Workforce Stability
- Workforce Demographics

To ensure maximum worker participation and comfort, the survey is conducted in a non-intrusive manner. It is open for a minimum of seven days, allowing workers to respond at their convenience. Surveys are delivered via QR codes, which can be scanned using workers’ own mobile phones, or through web URLs. Participation is entirely voluntary.

The results of the worker sentiment survey will provide CRG with valuable insights into the experiences of workers within the selected factories. These insights will help identify challenges and opportunities to improve worker well-being, strengthen grievance mechanisms, and enhance overall human rights practices within CRG’s supply chain. The survey was administered by ELEVATE to workers within the five selected factories after the conclusion of FY23. Therefore, the results of the survey will be reported on in Country Road Group’s next modern slavery statement.

Based on the survey findings, CRG will determine whether similar initiatives need to be extended to other suppliers within its network. The continuation of this commitment reflects CRG’s dedication to fostering positive worker experiences, reducing human rights risks, and promoting ethical sourcing practices throughout its supply chain.

“We maintain both internal and external grievance channels for any of our staff or workers in our supply chain to raise concerns, which could include modern slavery related issues.”

Remediation Processes

In line with the UNGPs, we are committed to providing for or cooperating in remediation where we identify we have caused or contributed to human rights harm, such as modern slavery. We also understand we may play a role in remediation where we identify we are directly linked to human rights harm, including modern slavery.

We maintain both internal and external grievance channels for any of our staff or workers in our supply chain to raise concerns, which could include modern slavery related issues.

Concerns relating to modern slavery or broader human rights risks such as the ‘physical conditions of work’ can be raised by Country Road Group staff directly with our Human Resources Team as outlined in our “Grievance and Dispute Resolution

Policy”. This policy clearly outlines what issues constitute a grievance and additionally explains the process for a grievance to be assessed, verified, and remediated. Concerns can also be raised anonymously by staff or by employees of suppliers through a whistle-blower hotline run by a third-party which is accessible by phone and email. Grievances that are raised through this mechanism will be investigated confidentially.

All these policies and processes are communicated to our staff at employee inductions, through our intranet and social workplace platforms, and through communications at ‘Governance Week’ (a company-wide initiative held annually where principles of good governance are promoted to all employees via seminars, Q&As and articles).

As mentioned above, as part of our efforts to continue “Embracing Change, Elevating Standards” in FY23, we implemented the ‘Factory Grievance Remediation Procedure’ that was developed in FY22.

This is a process and procedure guide for effective internal management of severe human rights issues in our supply chain including any suspected instances of modern slavery. This procedure includes:

- How an issue or grievance is identified, captured, assessed, and escalated.
- How issues may be investigated, including relevant and internal members forming a Cross Functional Team
- How remediation actions will be developed and agreed, which may include legal considerations
- How the procedure is designed to protect the complainant’s anonymity 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 knowledge acquired through developing this remediation process has provided our Ethical Sourcing Team with added skills and understanding of issues, and increased awareness of the challenging processes that may be involved in identifying and managing precarious situations and providing remedies to victims.



**TRAINING, CAPACITY
BUILDING AND
COLLABORATION**

Training, capacity building and collaboration

We continue to identify new opportunities for training and awareness building within our operations and supply chains. As part of our actions to address modern slavery, we look to build the capacity of our employees and suppliers via training, collaboration with Industry Groups and supporting long-term relationships with our suppliers.

Actions in the reporting period included:

- Modern slavery webinar for all Tier 1 merchandise suppliers hosted by CRG's Ethical Sourcing Team.
- Modern Slavery training delivered for the CRG Executive Team in early FY23. Training modules for the next tier of management are currently being developed.
- Modern Slavery E-Learning Module for all team members at support office was launched in FY23. We intend to extend this eLearning module to our retail store team members also.
- ETI foundation membership application completed and membership granted in early FY23.
- Continuing our membership of the UN Global Compact Network Australia (UNGCA), as well as participation as a sub-group member of the Modern Slavery Community of Practice (MSCoP).
- Team members attending seminars and webinars on modern slavery and broader human rights issues.
- 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.
- Pillar Two, a business and human rights advisory firm, supported aspects of our modern slavery training material.





Case Study 9

Advancing Ethical Sourcing with ETI Membership

In our pursuit of continuous improvement, we aimed to solidify our efforts by becoming a member of the Ethical Trading Initiative (ETI), a significant achievement in our journey towards ensuring fair and sustainable sourcing practices. This accomplishment marked a pivotal step forward in aligning our organisation with global leaders in ethical supply chain management.

Once granted membership, we engaged extensively with ETI to enhance our processes and policies. We sought their valuable feedback, leveraging their expertise to assess the effectiveness of our existing practices and to identify areas for growth. Our collaborative interactions with ETI provided us with fresh insights and a broader perspective on ethical sourcing.

Through our engagement with ETI, we identified five key areas of focus for FY23:

Improving Supplier Risk Assessments: We recognised the importance of ensuring the risk assessments we conduct on our suppliers on an ongoing basis are of an adequate standard. With the sourcing functions at CRG being

centralised into one group function, we took the opportunity to standardise and enhance our risk assessment process.

Ongoing Monitoring and Action Plan Design: We understood the significance of continuous monitoring to uphold ethical standards. We have been designing comprehensive action plans to regularly assess our suppliers' adherence to ethical practices, ensuring consistent improvements and accountability.

Grievance Mechanism Enhancement: Empowering voices within our supply chain, we revamped our grievance mechanism to provide an avenue for workers and stakeholders to voice concerns. This reflects our commitment to promoting transparency, accountability, and fairness.

Supplier Relationships Strengthening: We acknowledged the importance of collaboration with our suppliers. We worked towards building stronger partnerships based on shared values, and fostering open dialogue to ensure ethical practices are deeply integrated into our supply chain.

“Our journey within FY23, marked by our ETI membership, signifies a significant stride towards achieving our ethical sourcing goals. By engaging with ETI, we leveraged their insights to refine our practices, focusing on risk assessment, ongoing monitoring, grievance mechanisms, and supplier relationships. With these efforts, we continue to uphold our commitment to ethical sourcing, driving positive change and creating a more sustainable future for all stakeholders.”



Case Study 10

Empowering Our Team: A Modern Slavery Awareness E-learning Module

At Country Road Group, our commitment to ethical practices and responsible business extends beyond our products and into the heart of our operations. We firmly believe in respecting human rights and eradicating modern slavery from our supply chains. To realise this vision, we recently launched a comprehensive Modern Slavery Awareness e-learning module. In this case study, we delve into the journey of developing and implementing this program, involving our dedicated team members and the invaluable partnership with industry experts, Pillar Two.

In our commitment to make learning accessible and convenient, we designed a custom-built online learning module. This module, tailored to our organisation's values and mission, covers the essential aspects of modern slavery awareness.

Our team members can complete this module in just 10 minutes, making it a seamless addition to their busy schedules.

The launch of the modern slavery awareness training program is a significant step towards empowering our team members with the

knowledge and tools needed to recognise potential risks, make informed decisions, and contribute to protecting against modern slavery in our supply chains.

Starting with our support centre, we are excited to extend the program to our retail stores. This expansion will allow us to reach even more team members across various locations. By fostering awareness and understanding, we create a collective force that champions ethical practices and makes a difference.

The journey of implementing our modern slavery awareness training program showcases our unwavering commitment to responsible business practices. Through the collaboration with Pillar Two and the dedication of our team members, we have developed a training module that empowers individuals to contribute actively to our modern slavery mitigation efforts. As we move forward in our Good Business Journey for FY23 and beyond, we are confident that these initiatives will not only shape our organisation but also inspire positive change within the broader business community.



Rachid Maliki shared a link.
June 29 · 🌐

Modern Slavery Awareness Training is available now

As part of our Good Business Journey, Country Road Group is committed to respecting the human rights of people within our supply chains and mitigating modern slavery risks. This is articulated in our [Modern Slavery statement](#) and includes building awareness across our business to ensure team members understand our responsibilities, and can support in identifying potential risks.

To support team members to learn more about our commitments, we are pleased to launch our new custom-built online learning module. To access the training, login to our [CRG Learning System](#) and scroll to "Modern Slavery Awareness". It only takes about 10 minutes and is available to all team members. We encourage you to explore the learning and play your part in delivering our Modern Slavery and GBJ commitments. If you have any questions, please contact learning@countryroadgroup.com.au

“Empowering our team members with the knowledge and tools needed to recognise potential risks, make informed decisions, and contribute to protecting against modern slavery in our supply chains.”



**MONITORING AND
MEASURING OUR
EFFECTIVENESS**

Monitoring and measuring our effectiveness

The Country Road Group continually monitors its actions to assess and address modern slavery risks using a combination of both quantitative and qualitative measures. We also appreciate that these measures need to be reviewed and adapted as our actions mature and as our understanding of modern slavery continues to develop and evolve.

This table sets out the measures and indicators we utilise to measure our effectiveness at assessing and addressing modern slavery risks across all our reporting entities and operating subsidiaries.

Area	Objectives	Status	Effectiveness indicators
Policies & Contractual Controls	- Ensure policies set clear expectations around preventing and addressing all forms of modern slavery across our operations and supply chains	✓	- 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
	- Ensure policies are meaningfully implemented	✓	- Staff have ready access to policies related to modern slavery - Suppliers have ready access to policies related to modern slavery
Risk assessments	- Understanding and monitoring our exposure to modern slavery risks	🔄	- Number of supply chain actors traced - Number of risk assessments conducted - Number of supplier sites in high and extreme risk ratings
Awareness raising and capacity building	- Modern slavery awareness training for internal staff and suppliers to ensure appropriate staff have knowledge of risks, prevention, and remediation	✓	- Number of staff trained on modern slavery and broader human rights risks - Number of suppliers trained on modern slavery and broader human rights risks
	- Improve external awareness and transparency relating to modern slavery risks	✓	- External public assessments of our public reporting through NGO's or multi stakeholder initiatives (MSI's)
Audits and Issue Monitoring	- Supply chain monitoring and assurance (through Approved Factory Program)	✓	- Percentage of factories approved in our auditing program - Number of critical issues identified - Number of modern slavery issues identified
	- Ensure quality and effectiveness of audit types	🔄	- Number of Non-Trade Procurement (NTP) suppliers who publish modern slavery statements
	- Audit corrective actions undertaken, improved, or closed	✓	
Remediation processes	- Access to effective grievance mechanisms for workers in our operations and in our supply chains	🔄	- Number of audit issues remediated in line with Approved Factory Program criteria - Remediation of any actual modern slavery instances
	- Grievances effectively remediated	N/A	
	- Required actions taken against actual modern slavery violations	N/A	

✓ - Complete

🔄 - In Progress



**PROCESS OF
CONSULTATION**

Process of consultation

This statement has been prepared in consultation with each of the reporting entities listed in Appendix 1 and all owned and controlled entities of Country Road Group.

Each of the reporting entities covered by this statement, as well as all entities owned or controlled by those reporting entities:

- have common directors
- share the same registered office address
- use the same policies and processes
- operate in the same sector
- use many of the same suppliers, and
- report to the same executive team.

Senior management, executives and the directors of the reporting entities, and owned and controlled entities, have been consulted and informed of the actions taken throughout this reporting period, and development of this statement has occurred through:

- face-to-face meetings with directors
- email correspondence
- consultation on actions throughout the year, and
- board meetings.





LOOKING
FORWARD

Looking Forward

Country Road Group is committed to the people within our operations and supply chains and as a responsible business we aim for continuous improvement of our actions in our response to our modern slavery risks.

As we look to improve our actions in tackling modern slavery, we have broadly set out the below goals:

- Continued support for factories to renew audits in line with regular audit cycle.
- Ongoing review and improvement of policies, in particular CRG's Code of Labour Practice.
- Further increasing CRG staff's awareness of modern slavery and responsible purchasing practices.
- Further develop the methods and systems for measuring the effectiveness of our efforts to assess and address modern slavery risks.
- Implement and conduct an in-depth analysis of the worker sentiment survey project to boost worker engagement.

- Integrate and deploy OSC as a comprehensive ethical sourcing data management platform.
- Continue to pursue and achieve the targets outlined in the Living Wage Roadmap.
- Maintain ongoing engagement with industry partners, including making progress toward becoming a full member of ETI.
- Optimize and endorse SEMETA 4P (covering labour standards, health & safety, environmental performance and business ethics) as our primary choice for audit methodology.

MDA mandatory reporting criteria	Location of response to mandatory criteria within this statement
(16.1.a) Identify each reporting entity covered by the joint statement	- Introduction & Executive Note - Appendix 1
(16.1.b) Describe the structure, operations and supply chains of each reporting entity covered by the joint statement	- Country Road Group's structure, operations, and supply chains
(16.1.c) 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	- Modern Slavery Risks in our supply chains and operations
(16.1.d) 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	- Introduction & Executive Note - Assessing and Addressing risks of modern slavery - Worker Sentiment; Worker Voice - Training, capacity building and collaboration
(16.1.e) Describe how each reporting entity covered by the joint statement assesses the effectiveness of actions being taken to assess and address modern slavery risks	- Monitoring and Measuring our Effectiveness
(16.1.f) 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	- Introduction & Executive Note - Assessing and addressing modern slavery risks - Process of Consultation
(16.1.g) Any other relevant information	- Looking Forward - Training, capacity building and collaboration

Appendices:

Appendix 1

All entities who are reporting entities and included in this joint statement:

- Country Road Group Holdings Pty Ltd (Holding Company)
- Woolworths International (Australia) Pty Ltd (Holding Company)
- Country Road Group Pty Ltd (Parent Company)
- Country Road Clothing Pty Ltd (Operates as COUNTRY ROAD)
- Witchery Australia Holdings Pty Ltd (Holding Company)
- Witchery Holdings Pty Ltd (Holding Company)
- Witchery Fashions Pty Ltd (Operates as WITCHERY)
- Mimco Pty Ltd (Operates as MIMCO)

Appendix 2

Definitions of Modern Slavery⁸

Type of Modern Slavery	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 or 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: 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

⁸ Definitions taken from the Australian Commonwealth's Guidance for Reporting Entities: http://modernslaveryregister.gov.au/resources/Commonwealth_Modern_Slavery_Act_Guidance_for_Reporting_Entities.pdf