

Universal Store

Modern Slavery Statement

Under review by the Attorney-General's Department and not officially published on the Modern Slavery Register

July 2022 – June 2023

This document is Universal Store's fourth Modern Slavery Statement. It outlines the steps Universal Store has taken to identify, assess and address Modern Slavery across our operations and our supply chain. This statement was prepared in accordance with the criteria set out in the Modern Slavery Act 2018 (Cth) for the year ending 30 June 2023.

This statement covers Universal Store Holdings Limited (ABN 94 628 836 484) as reporting entity as well as its owned subsidiaries:

- Universal Store Pty Ltd
- Cheap Thrills Cycles Pty Ltd
- US Australia Pty Ltd
- US 1A Pty Ltd, and
- US 1B Pty Ltd

Universal Store Pty Ltd (ABN 89 085 003 158) and Cheap Thrills Cycles Pty Ltd (ABN 99149302634) are trading companies that undertake operational activities and maintain relationships with suppliers.

US Australia Pty Ltd, US 1B Pty Ltd and US 1A Pty Ltd are administrative companies, are not undertaking operational activities. The owned subsidiaries are under stewardship of the reporting entity and under the oversight of the Board and management of Universal Store Pty Ltd. Cheap Thrills Cycles Pty Ltd is governed by an internal Advisory Board composed of selected members of the Group's board.

Our Language

"UNI" or "Group" and "we" means the consolidated group parent, "US" means Universal Store and "CTC" means Cheap Thrills Cycles.

Human Rights Commitment

The Group's Board and executive management are committed to respect human rights principles as described in the UN Universal Declaration of Human Rights and the workplace rights of the International Labour Organisation conventions. The Group acknowledges its responsibility to reduce the incidence of Modern Slavery in its operations and supply chain. We have zero tolerance for Modern Slavery in all forms.

Criteria 6 - Consultation

Consultation on the identification and management of Modern Slavery risks for the reporting entity and its subsidiaries has occurred as part of the preparation of this Modern Slavery statement. The CTC team was briefed on the legislation and its reporting requirements. Key information regarding

reporting responsibilities and transparency requirements has been provided in addition to training on Modern Slavery.

Executive Summary

UNI business strategy includes sustainability objectives and key results, and we are continuously striving to improve our performance around supply chain transparency and accountability.

Transparency is one of the key pillars of UNI' sustainability strategy. Over the last 4 years, Universal Store has implemented a range of activities to identify, reduce and prevent modern slavery risks in its supply chain.

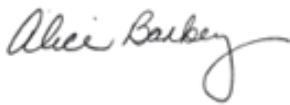
During the FY23 period, we further improved our Modern Slavery approach:

- Updated the Supplier Code of Conduct to tackle issue prevention and remediation.
- Mapped our supply chain to identify suppliers involved in Tier Two level.
- Implemented sub-contracting approval process to increase supply chain transparency.
- Integrated CTC into the Ethical Sourcing monitoring program.
- Developed an audit Non-Conformance Review process.
- Improved issue reporting processes for management.

We are committed to identifying and addressing Modern Slavery risks within our business and in our supply chain.

This modern slavery statement for period July 2022 to June 2023 was approved by the principal governing body of Universal Store Holdings as defined by the Modern Slavery Act 2018 on 21 November 2023.

This modern slavery statement is signed by a responsible member of Universal Store Holdings as defined by the Modern Slavery Act 2018,



Alice Barbery

Chief Executive Officer, Universal Store

21 November 2023

Criterion 1&2 – About Our Company

Universal Store is a public company listed on the Australian Securities Exchange (ASX). Universal Store is a leading Australian retailer specialising in premium brand on trend youth apparel, shoes, accessories, and gifting.

Universal Store

We curate a range of local, international, and vertically integrated private brands. Universal Store is committed to helping our team and our customers make more ethical and conscious decisions. We strive for continuous improvement and aim for a fairer, more sustainable, and more transparent business. UNI acquired CTC in October 2022.

- Team members: 1949 (US), 118 (CTC)
- Locations
 - US
 - Support Office & Distribution Centre - Brisbane QLD
 - 85 stores (US incl. Perfect Stranger) Australia wide
 - CTC
 - Head office and DC – Byron Bay NSW
 - 10 stores NSW, QLD, VIC
- Supply Chain
 - US – 290+ suppliers
 - 123 Product suppliers - Spend (\$): 56%
 - Private brand: 24 suppliers producing across 39 factories – Stock Spend (\$) 28%
 - 100+ 3rd Party Brands - Stock Spend (\$) 72%
 - 173 non-stock vendors – Spend (\$) 44%
 - Services Spend (\$ ex. leasing):
 - 41% - Logistics services & Warehousing equipment
 - 19% - IT Services
 - 15% - Corporate services
 - 9% - Store Operations
 - 9%- Store Fitout
 - 7% - Marketing & Digital services
 - CTC
 - 16 Product suppliers – Spend (\$): 73%
 - Non-stock vendors – Spend (\$): 27%
 - Services Spend (\$ ex. leasing):
 - 51% - Logistics services & Warehousing equipment
 - 30% - Marketing & Digital services
 - 14% - Corporate services
 - 4% - Store Operations
 - 1% - Store Fit Out

Governance

The Board Audit and Risk Committee (ARC) approved our Modern Slavery framework aimed at reducing risks in the supply chain. The committee receives regular reporting on its implementation and risk management activities and provides challenge and guidance to further refine our approach.

Risk Management & Reporting

The Chief Executive Officer and Leadership Team, in particular the Head of Sustainability and Ethical Sourcing collaboratively with the Head of Product are responsible for ensuring Universal Store meets our human rights obligations across our business activities. The CEO is a member of the Board of Directors and the Audit and Risk Committee and reports regularly to Universal Store governance bodies on the progress of Universal Store's ethical sourcing programmes.

The 'Due Diligence Process' section of this statement highlights the governance, policy, operational and technology solutions we have activated during the period to increase UNI's capabilities in the identification and assessment of Modern Slavery risks.

The sustainability and ethical sourcing team is responsible for developing our ethical sourcing policies and implementing initiatives across the Group in collaboration with relevant internal teams and our suppliers. The Head of Sustainability and Ethical Sourcing reports to the CEO. Progress on these initiatives is regularly reported to the Board of Universal Store.

For further details on Universal Store's Corporate Governance structure and risk management framework, please review our [Corporate Governance Statement](#).

Our Operations

Modern Slavery risk in the group's own operations is low. The group employs 2184 team members predominantly in retail operations, Support Office functions and Distribution Centre roles. The number of team members fluctuates throughout the year depending on the business activity.

Team members representation

UNI recognises the rights of team members to be represented and their ability to request collective bargaining aligned with the Fair Work Act. All team members in our stores are paid in accordance with the General Retail Industry Award 2020. Other employees in Support Office and Distribution Centre roles are on individual agreements based on the Modern Award that outline minimum pay, hours of work, deductions and leave entitlement, health and safety and conditions for termination of employment.

Vulnerable employees

International migrant labour hires may be at heightened risk of exploitation including deceptive recruitment practices.

Universal Store had 103 team members and CTC had 6 team members residing in Australia on a working visa at year end, the majority of which were retail casual employees, or in administration and distribution centre roles.

UNI complies with the Visa Entitlement Verification System (VEVO) requirements outlined by Australian law. UNI hires casual labour team members directly and during the reporting period did make occasional use of intermediary labour hire firms to procure casual team members. We only use

labour hire that provided conditions aligned with the General Retail Industry Award 2020, Storage Services and Wholesale Award 2020 and Hospitality Industry (General) Award 2020.

Payroll Practices

UNI payroll practices are audited annually by an independent third-party.

Misconduct

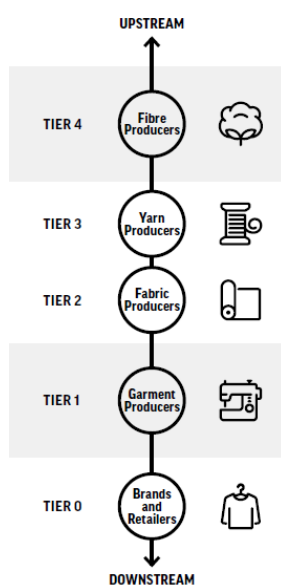
Employees, contractors, suppliers, and associates of UNI who may want to report a disclosable matter or potential misconduct are protected under the UNI Whistleblower Protection policy.

Criterion 2 – Our Supply Chain

Whilst UNI does not own or operate any manufacturing facilities overseas, our aim is to build strong and long-lasting relationships with our suppliers. Our greatest opportunity to reduce risks of Modern Slavery sits with the production of our own private brand garments, engagement with third-party brands and non-stock suppliers.

Stock suppliers

The products Universal Store and CTC sell are sourced from a combination of suppliers. Stock products are either sourced from third party brands or manufactured for our private brands by overseas suppliers.



We categorise our supply chain stages into tiers so we can better understand our end-to-end supply chain and the different stages of production. It is also generally accepted in the clothing industry’s value chain that each stage is referred to as ‘tier’, numbered backwards from the retail stage:

Universal Store has direct relationships with suppliers and some of their production factories, allowing us to set ethical expectations and compliance requirements through contractual obligations.

Universal Store’s terms of trade outline an obligation for the supplier to respect our code of conduct and its ethical principles. Exercising oversight of human rights risks beyond Tier 1 suppliers is a significant commercial and operational challenge.

There are specific risks to each Tier in the apparel supply chain:

Tier	Name	Definition	Visibility	Risks
Tier 0	Retailers Brand Supplier Trading Agent	Direct communication and management of owned and not owned network of factories.	High	Trading companies operating in office environment are not sheltered from risks of Modern Slavery. Exploitation of third party subcontracted low skilled workers (cleaning, maintenance) may occur in office environments.
Tier 1	Garment Factories	Suppliers that manufacture the final products.	High	Garment manufacturing relies on low-skilled labour, with more vulnerable female workers disproportionately affected by gender discrimination and poor working conditions. Sub-contracting is also prevalent to manage productivity and timelines, adding complexity to the supply chain.
Tier 2	Fabric Producers	Suppliers that process yarn into fabric.	Medium	
Tier 3	Yarn Producers	Suppliers that process (by spinning) fibres into yarn.	Low	According to the Global Slavery Index, the cotton industry is the highest-ranking product
Tier 4	Fibre Producers	Raw Material Producers and	Low	

		Processors of primary or secondary (reclaimed) raw materials.		at risk of modern slavery during the cotton harvest especially in countries where state-imposed production quotas are imposed.
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Non-Stock Suppliers

UNI procures goods (not for resale) and services from other non-stock suppliers that are necessary to run our logistics, retail and support office activities. The risk assessment of non-stock suppliers is included in UNI’s Modern Slavery risk assessment.

Industries that typically employ a high percentage of migrant workers in low skilled, temporary positions may have heightened risk of modern slavery occurring in their operations and workers may be more likely to become victims of exploitation.

During FY23, Universal Store procured services from 173 non-stock suppliers with the largest category of spend directed to logistic services and warehousing equipment vendors. CTC services spend also was predominantly with logistics and warehousing vendors.

Local Procurement

UNI sources stock from two suppliers operating in Australia and New Zealand. The risk of Modern Slavery exists but is considered low in comparison with other countries.

In the reporting period, procurement with non-stock vendors was predominantly for goods and services from Australian suppliers (72% of US spend).

A risk assessment of UNI top 20 non-stock suppliers (representing 70% of total non-stock spend for the period) identified that most of our vendors report under the Modern Slavery Act, have human rights position statements, undertake supply chain due diligence, or operate in industry requiring highly skilled professional workers with low risk of modern slavery.

We will continue to engage with vendors that operate in high-risk industries and those that rely on temporary casual workforce. To limit the risks associated with this procurement, we will ask our new vendors and existing suppliers with significant annual spend in these industries to endorse the principles of our Supplier Code of Conduct.

Criterion 3 – Risk of Modern Slavery Practices

Modern Slavery practices refer to situations of criminal exploitation including deprivation of liberties, human trafficking, forced or bonded labour, child labour, and forced marriage. The Global Estimates of Modern Slavery indicate there are more than 49.6 million people in Modern Slavery around the world including 27.6 million in forced labour, 71% of these are female and 25% children¹.

Industry Risks

The clothing industry is one of the industries the most likely to have Modern Slavery victims in its supply chain. This is partly due to the fact the industry's supply chain is global, complex, multi-layered, and fragmented.

The Modern Slavery risks prevalent in our industry include:

- Forced labour - The most common type of forced labour is overtime imposed through threats and punishment, penalty, or force.
- Child labour – Workers may be either too young to work, younger than the minimum age for employment or below the minimum age of compulsory education as per local laws and regulations.
- Unauthorised sub-contracting: Outsourcing labour needs to meet production demand introduces complexity into the supply chain. Contractors may not have the relevant licenses to conduct the work.
- Deceptive recruitment of migrant labour – Engaging labour hire third parties to source workers increases the risk by reducing visibility over recruitment practices. Workers may be charged high fees to secure employment which they are unable to repay.
- Exploitation of vulnerable workers – 70% of garment workers are female therefore it is imperative they work in an environment free of discrimination, and can benefit from equal pay, dignified working conditions and work security.

Country Risks

Modern slavery is more likely to occur in countries with weak rule of law, high levels of corruption, civil unrest and where population groups are vulnerable due to inequality, poverty, membership to persecuted groups or migrant population. The majority of our private-label brand products are supplied from factories located in China. At year end, we had one supplier located in India.

China

The prevalence of people living in slavery in China according to the 2023 Global Slavery Index² is estimated to be 4.0 out of 1000 people, placing the country in a relatively low category of Modern Slavery risk. Key areas of risk include excessive working hours, discrimination, and forced labour. Chinese workers do not have the freedom to organise or join unions of their own choosing.

India

¹ [Global Estimates of Modern Slavery](#), International Labour Office + Walk Free Foundation, 2021

² [Global Slavery Index](#), Walk Free Foundation, 2023

India has a Modern Slavery prevalence of 8 out of 1000 people³ placing the country in a relatively high category of Modern Slavery risk. Key areas of risk include bonded and forced labour, human trafficking, and child exploitation.

The Group's Tier One Factories locations:

Australia	1
Victoria	1
China	55
Guandong	25
Zhejiang	13
Fujian	4
Anhui	2
Shandong	2
Jiangsu	3
Guangdong	2
Shenzhen	1
Jiangxi	1
Shandong	1
Qingdao	1
India	3
Tiruppur	2
Delhi	1
New Zealand	1
Dunedin	1
Grand Total	60



³ [Global Slavery Index](#), Walk Free Foundation, 2023

Counterparty Risks

We continue to be a member of the Supplier Ethical Data Exchange (SEDEX), an online platform and industry community, which allows us to assess risk in our supply chain at country, industry, and commodity level. The system also enables us to assess private brand suppliers and monitor site issues. Suppliers that are SEDEX members complete a self-assessment questionnaire.

The platform provides access to supply chain risk assessment tools enabling Universal Store to identify labour risk, human rights, governance and environmental risks across the business and our supply chain.

Our risk assessment takes into consideration the performance of our suppliers against a set of standard criteria in various areas of performance including labour standards, health and safety, business ethics and environmental management. Each supplier and their individual sites are assessed on their ability to effectively manage labour and social risks.

In 2023, Universal Store and CTC SEDEX accounts have been merged to provide visibility over the group's supply chain.

Commodity Risks

Cotton harvesting is associated with physical health risks for pickers and has been linked to child and forced labour in various countries⁴.

The international community, including the Australian government, has concerns over forced labour and oppression of the Uyghur Muslim minority in the cotton supply chain from the Xinjiang province in China⁵. UNI is monitoring the situation closely and will comply with any future government guidance. Meanwhile, we have provided policy guidance to our suppliers on this issue.

During 2023, we attended industry conferences and events to discuss the industry's role in protecting human rights in the cotton supply chain and share ideas on effective due diligence mechanisms to reduce risks.

Textile Production Risks

Textile production consists in harvesting raw materials such as cotton, animal, or synthetic fibres to be spun into yarn and fabrics. These fabrics are then dyed, cut, shaped, and stitched together to create clothing, with additional effects coming from trims and finishing treatments.

Due to the complexity of the textile production process and the variety of facilities involved, it is very difficult to identify with certainty all suppliers involved and the location of facilities that contributed to the final product.

Our priority is to continue trace our supply chain in collaboration with our Tier 1 partners, and so far, we have been able to map Tier 1 and Tier 2 of the Universal Store supply chain to identify suppliers and location of facilities involved in fabric and garment manufacturing. As we do not hold contractual arrangements with yarn, fabric or accessories producers, it becomes increasingly challenging to understand the working conditions prevalent in deeper tiers of the supply chain.

⁴ Apparel Manufacturing, SEDEX Insights Report, June 2021

⁵ Australian Government response to the Senate Foreign Affairs, Defence and Trade Legislation Committee report: Customs Amendment (Banning Goods Produced By Uyghur Forced Labour) Bill 2020, April 2022

Manufacturing

Garment factory workers, predominantly female and migrant workers, can face exploitative conditions, including excessive overtime, low wages, unsafe working conditions, verbal and sexual harassment and forced labour.

Our Policy framework

Universal Store has a set of policy standards to articulate the business' position in respect to ethical conduct and modern slavery. Our corporate policies incorporate commitments to comply with laws and regulations and prohibits the worst forms of modern slavery.

1. Corporate Code of Conduct

Universal Store's Code of Conduct applies to all employees and guides the business' conduct in compliance with laws and regulations. The Code outlines the responsibilities that all employees must observe including acting with integrity, comply with all laws and regulations and act ethically and responsibly. Universal Store Code of Conduct is available online and all employees are required to abide by the Code as a condition of their employment at Universal Store.

UNI takes reports of discrimination, bullying and harassment in the workplace very seriously and we have a zero-tolerance approach of matters of this nature. Employees that raise concerns through our internal formal grievance or whistle-blower policies and matters are investigated as a matter of priority.

2. Supplier Code of Conduct

Since 2021, UNI rolled out its Supplier Code of Conduct to outline foundational principles and expectations from suppliers. In 2023, based on consultation and feedback from suppliers, we issued an updated Code of Conduct for Private Brand Suppliers and Third-Party brands. The codes apply to all suppliers of Universal Store and CTC and are available online.

Policy Improvements

In 2023 we added the following requirements to our Supplier Code of Conduct:

- Requirement to resolve Health & Safety non-conformances that could lead to harm, cause illness, or injury to workers within 30 days of being reported.
- Requirement for the Code to be communicated and signed by Tier One factories.
- Requirement for Tier One factories to print and post the Ethical Trading Initiative principles on workers communication boards.
- Added a subcontracting authorisation form for suppliers to manage production peaks transparently.
- We made the code reciprocal outlining our responsibilities as a customer.

The codes include minimum requirements, compliance and auditing mechanisms, and relevant audit standards to ensure its effective implementation. The codes are based on the Ethical Trading Initiative Base Code founded on the conventions of the International Labour Organisation (ILO) and the SEDEX Member's Ethical Trade Audit (SMETA) methodology.

UNI will continue to provide training on the Code of Conduct requirements for both employees with procurement responsibilities and key suppliers. The latest updates to the Codes have been communicated to suppliers in individual meetings held focusing specifically on the requirements of the Code.

The 11 minimum requirements to be observed by suppliers are:

1. No Child Labour;
2. No Forced Labour;
3. Respect Freedom of Association and Collective Bargaining (where legal);
4. Promote Workplace Health & Safety;
5. Pay Fair Wages;
6. No Excessive Working Hours;
7. No Harsh or Inhumane Treatment;
8. No Discrimination;
9. No Bribery or Corruption;
10. Commit to Environmental Protection;
11. No banned Material, Substances or Practices.

Third Party-Brands

Third party brands are expected to adopt our Supplier Code of Conduct as a requirement of our terms of trade.

We continue to engage with all third-party brands to obtain their endorsement of our Supplier Code of Conduct and to get assurance that adequate policies, systems, and processes are available to manage Modern Slavery risks in their supply chain. During the year, we rolled out the updated version of the Supplier Code of Conduct to new third party brands.

We review international third-party brands' ethical policies to ensure their policies align with the principles outlined in our Supplier Code of Conduct.

At year end, 94% of Universal Store third-party brands had endorsed our Supplier Code of Conduct or had equivalent ethical sourcing policies.

Criterion 4 – Our Due Diligence Process

1. Governance

Our approach to Modern Slavery is group wide. UNI has a structured framework to identify, manage and report on human rights issues and modern slavery risks in our supply chain. This framework continues to guide the implementation of initiatives and provide transparency and accountability for governing bodies. CTC has invested resources during the year to align its ethical sourcing systems and processes to those established by Universal Store.

2. Team Training

Our *Introduction to Universal Store Code of Conduct* and *Modern Slavery Awareness* trainings continue to be part of the induction package for our Product team and support office team members involved in procurement activities.

At year end,

- 100% of Product team members had completed their Supplier Code of Conduct training, and
- 100% of Support Office team members involved in procurement activities had completed Modern Slavery awareness training.

We have briefed key CTC team members in production, procurement, design, and admin functions on the Modern Slavery Awareness module and the module now forms part of the onboarding training for new team members.

3. Industry collaboration

UNI has access to a range of consultants and industry experts that can provide guidance on best practices. We also participate in industry forum including the National Retail Association's ESG committee alongside other Australian retailers to share learnings on Modern Slavery compliance and due diligence best practice. During 2023, our team attended several webinars on Modern Slavery organised by NGOs, ethical sourcing consultants and industry bodies.

4. Supply Chain Mapping

Mapping suppliers helps identify parties involved in our supply chain, assess, and mitigate risks related to Modern slavery at various levels of the supply chain. Supplier mapping also drives accountability and improvements.

Universal Store completed the mapping of Tier One and Two private brand suppliers during 2023. CTC completed the mapping of Tier One suppliers and collected social compliance audit information available.

We obtained audits for 100% of our Tier 1 private brand suppliers and mapped Tier Two suppliers, which assisted identify fabric sources, and data gaps in the availability of audits for Tier Two suppliers. Our goal is to obtain social compliance audit information for all of Tier One and Two facilities.

5. Transparency

US and CTC disclose annually a list of tier-one factories and key supply chain information on their respective websites. Refer to [US website](#) and [CTC website](#) for details.

Universal Store participates in the Baptist World Aid Australia (BWA) survey. The latest Ethical Fashion survey identified Universal Store as one of 'most improved' brands. The survey is now conducted bi-annually which gives us an opportunity to focus on our action plan and use the improvements identified through the survey as input to inform our ethical sourcing approach.

Throughout the year, we attended various workshops related to Worker Empowerment and Worker Voice. We continue identify opportunities of worker voice tools available in markets where our suppliers operate.

6. Supplier Onboarding

UNI does not own or operate any manufacturing facilities overseas. We carefully onboard new suppliers based on their technical capabilities, capacity, and values. Manufacturing suppliers and third-party brands acknowledge the principles of our code prior to start working with us, as part of our supplier onboarding process.

We maintain a list of active suppliers and factories involved in the production of our goods and information supporting our suppliers' engagement activities. Universal Store and CTC are SEDEX members, and we continue to use the platform to onboard new suppliers.

7. Social Accountability Audit Program

We expect all factories manufacturing private brand goods to undertake a social audit every 12 months through an independent third party. The audit finding reports, corrective action plans, and follow-up audit reports need to be shared with us. Most audits conducted during the period were announced with prior notice from the independent third party provided to the suppliers. Announced audits allow the factory management to prepare and collect the required information for the audit. It is however a less objective assessment of the factory performance.

We expect our 3rd party brands to be transparent and communicate to us any breaches to our Supplier Code of Conduct.

Should any material findings or breaches be discovered, Universal Store is committed to work collaboratively with our suppliers towards efficient resolution. However, where remediation actions remain unaddressed, Universal Store would consider taking action to exit the supplier as a last resort.

8. Non-Conformances Management Process

Our internal Non-Conformance process allows us to review and manage breaches of the Universal Store Supplier Code of Conduct principles. Non-conformances are raised in third-party audit reports. Issues are categorised and ranked by severity so we can prioritize issues to resolve as a priority for each supplier or factory.

This process assists in the identification, assessment and resolution of issues but also be used as an early warning system to identify modern slavery in the supply chain. To date, no instances of modern slavery have been detected via third party audits or communicated to Universal Store.

During FY23, Universal Store focused on a total of 168 Non-Conformances across various categories:

- 98 Health & Safety issues
- 33 instances of excessive working hours

- 37 instances of lack of social insurance.

We tracked, recorded the details of these non-conformances, and communicated to the supplier the importance of implementing the corrective action plan within set timeframes. We engaged suppliers to obtain resolution of the non-conformances and improve performance. As a result, 74 health and safety issues were resolved during the period (80%).

Systemic issues

Systemic non-conformances remain a continuous improvement challenge. These issues relate to country-specific social norms and structures and are difficult to remediate without a multi-stakeholder approach. We strive to develop our understanding of the drivers causing these issues, work collaboratively with our suppliers and continuously improve performance.

In relation to **excessive working hours**, we recommend our suppliers to:

- Establish a preventive overtime policy.
- Provide production skills training to employees.
- Encourage the supplier to develop a recruitment plan to meet production demand.
- Require suppliers to provide an improvement plan.

As a business we:

- Closely track and monitor factories that incur excessive overtime over 80+ monthly hours.
- Aim to provide a clear production plan to advise the factory of upcoming orders and allow for the adequate allocation of resources and estimation of timelines.
- Ask our suppliers how we can help for them to meet the local minimum legal requirements.

In relation to the **lack of Social Insurance**, we recommend our suppliers to:

- Provide training for employees in all types of insurance and entitlements.
- Provide compulsory accident insurance for all employees.

9. Supplier Monitoring

Social attributes of workplaces such as worker's representation, the availability of grievance mechanisms, the presence of migrant worker populations, wage levels & payment systems, and the health and safety of facilities are indicators of human rights and labour rights risks that when combined can provide early warning signal of potential Modern Slavery situations.

UNI has systems in place to track monitor a variety of information provided in the audit reports, that is essential to understand each factory human rights risk profile and assess factories' social accountability performance. We benchmark the following information across factories:

- **Worker Representation & Grievance Mechanisms**

When workers can advocate for their rights, they are empowered to improve their working conditions, and the lives of their colleagues, families, and communities.

We record whether worker representation bodies are available for factory workers and the type of grievance mechanisms provided to workers.

- **Female representation**

We document the gender composition of the workforce. We monitor the ratio of women employees in each of our manufacturing facilities. We also record representation women have in management positions to understand if our factories are providing equal opportunity to women and men to upskill and obtain promotion to managerial positions.

- **Wage levels**

We document the wage levels of the lowest paid worker at each factory and whether the wage levels meet the legal minimum wage applicable for the locality. Where a methodology is available to calculate living wages for the region, we compare the wage level to the calculated living wage.

Independent third-party audits include workers interviews where unaddressed grievances can be raised. In addition, the Supplier Code of Conduct is provided to all suppliers in the local language and is expected to be communicated across their operations. Universal Store contact details are provided in the Supplier Code of Conduct.

10. Responsible purchasing practices

Universal Store seeks to build long lasting relationships with suppliers that share our values. Our partnerships with all suppliers are governed by documented standard terms of trade and payment terms.

Our approach to sourcing is based on the commitment to work collaboratively with suppliers and ensure we set realistic timelines for production that are agreeable to both parties. We will continue evolve our approach to responsible sourcing.

11. Reporting

The group will continue to meet its reporting requirements under the Modern Slavery Act and provide updates in subsequent statements on the progress of initiatives and their effectiveness in reducing Modern Slavery risk.

We aim to provide balanced reporting to our stakeholders, below are insights into the challenges UNI faces when implementing our ethical sourcing initiatives. These areas will continue to be a focus in FY24:

- Universal store has set a target to obtain audits for Tier 2 facilities – in our mapping exercise we identified gaps where tier two facilities do not have audits available. It is our suppliers that hold direct commercial relationships with these facilities, making it more complex and time consuming to obtain this information.
- The implementation of independent worker voice mechanism is dependent on supplier support, effective factory on-boarding, direct training of workers and communications.

Criterion 5 – Measuring Effectiveness

Universal Store is continuously seeking to improve its policies, procedures and actions in relation to Modern Slavery. In our first statement, we defined some key measures to monitor the effectiveness of our actions.

Progress against our targets

Most activities were completed whilst some are continuing.

Focus Area	Commitment	Target	Progress
Training	Product team completing Supplier Code of Conduct training.	100%	100% US
	Supplier facing employees completing MS training.	100%	100% US
Transparency	Undertake Tier2 private brand suppliers mapping.	100%	100% US
	Obtain audits for Tier2 private brand suppliers.	100%	In progress
Supplier Code of Conduct	3rd party brands suppliers with Code of conduct endorsed.	100%	98% US Third Party Brands

CRITERION 7 Other Information

The table below outlines where information related to each mandatory reporting criteria can be found:

Mandatory Reporting Criteria		Location of information in this statement	Page
Criterion 1	Identify the reporting entity	About Our Company	p.3
Criterion 2	Describe the Reporting entity's structure, operation and supply chain	Our Supply Chain	p.3
Criterion 3	Describe the risk of Modern Slavery practice in the operations and supply chain of the reporting entity, and in any entities that the reporting entity own and controls	Risks of Modern Slavery Practices	p.8
Criterion 4	Describe the action taken by the reporting entity and any entity it owns or controls, to assess and address those risks, including due diligence and remediation processes	Our Due Diligence Process	p.13
Criterion 5	Describe how the reporting entity assesses the effectiveness of these actions	Measuring Effectiveness	p.17

Criterion 6	Describe the process of consultation with any entities that the reporting entity own and controls	Consultation	p.1
Criterion 7	Provide any other relevant information	This Table	p.17

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