

# MODERN SLAVERY STATEMENT

July 2023 - June 2024



**Universal Store**



# COMMON NEED







# FIFTH STATEMENT

*Currently under review by the Attorney-General's Department and not officially published on the Modern Slavery Register.*

**This Modern Slavery Statement highlights the measures we have implemented to identify, evaluate, and address Modern Slavery risks.**

This statement is compliant with the requirements of the Modern Slavery Act 2018 (Cth) and covers the 2024 financial year from 1 July 2023 to 30 June 2024.

This Modern Slavery Statement is published by Universal Store Holdings Limited as the reporting entity on behalf of all wholly owned and controlled entities. The statement provides a consolidated overview of our actions to assess and address the risks of Modern Slavery across all our entities.

## Operating Companies

Universal Store Pty Ltd  
ABN 89 085 003 158

Cheap Thrills Cycles Pty Ltd  
ABN 99 149 302 634

## Administrative Companies

US Australia Pty Ltd

US 1A Pty Ltd

US 1B Pty Ltd

The Group's structure, operations, and supply chains are similar to prior year.

As a result, this statement provides updates to performance indicators and additional case studies to complement prior disclosures on our Modern Slavery risk assessment and management approach.

## OUR COMMITMENT

The Group's Board and our executive management are committed to upholding human rights standards as defined by the UN Universal Declaration of Human Rights and International Labour Organisation conventions.

We acknowledge our responsibility to combat Modern Slavery in our operations and supply chain, maintaining a zero-tolerance policy for all forms of Modern Slavery.

## OUR LANGUAGE

"UNI" or "Group", "the Company" or "we" means the consolidated group parent, "US" means Universal Store and "CTC" means THRILLS, Worship and other emerging CTC developed brands.

## PROCESS OF CONSULTATION

The Group consulted with the management of its subsidiaries, including CTC, to prepare this Modern Slavery statement.

The team was briefed on the legislation and its reporting requirements. In addition, we discussed key information on Modern Slavery, reporting responsibilities and transparency standards.

# LEADERSHIP NOTE



UNI is firmly dedicated to safeguarding human rights across every aspect of our operations, with particular focus on our Sourcing and Supply Chain.

Transparency remains a fundamental pillar of our sustainability strategy, guiding us toward responsible business practices. Over the past 5 years, UNI has taken meaningful steps to implementing a variety of initiatives aimed at identifying, reducing, and preventing Modern Slavery risks within our supply chain.

We look forward to sharing our experiences from FY24, a period marked by considerable activity, as reflected in the many case studies within this statement, each showcasing our ongoing commitment to progress.

We acknowledge that more work lies ahead and remain fully committed to continually improving our effort.

On behalf of the Group and all its subsidiaries, this statement and its contents are formally acknowledged and approved by the board of UNI, as defined by the Modern Slavery Act 2018, on 17 December 2024, and signed by the Group's principal governing body.

A handwritten signature in cursive script that reads 'Alice Barbary'.

Alice Barbary  
Chief Executive Officer  
Universal Store Holdings Limited

17 December 2024







# OUR PROGRESS

In FY24, we have implemented initiatives to identify potential Modern Slavery risks in deeper and broader parts of our supply chain. We also adopted practical steps and technology to mitigate these risks.

---

## TRACEABILITY

We maintained our commitment to transparency by further mapping key Tier Two facilities, such as material suppliers and fabric mills. Our aim was to increase visibility to be able to assess human rights risks deeper within our supply chain. We engaged with our suppliers to gather information on audit status and non-conformances at nominated Tier Two facilities, helping to pinpoint areas for improvement.

---

## ACCOUNTABILITY

During the reporting period, we focused on non-stock suppliers and conducted a risk assessment focused on the most at-risk industries and engaged these suppliers towards compliance and due diligence.

---

## ENGAGEMENT

We expanded our ethical compliance toolkit by implementing a technology platform to securely store our ethical sourcing data, improve traceability and refine our approach to risk management.

In addition, we have continued to strengthen our supplier relationships and shared commitment to ethical standards by continuing the one-on-one training session with our supplying partners, encouraging them to endorse our Code of Conduct.



# OUR COMPANY

**UNI is a public company listed on the Australian Securities Exchange (ASX) and a leading Australian retailer, specialising in youth apparel, shoes, accessories, and gifting.**

It stands as a vibrant hub of handpicked third-party brands and Universal Store's own private brands Perfect Stranger, Neovision, Common Need, Luck & Trouble, L&T and Token along with Thrills and Worship from its subsidiary CTC.

UNI operates a total of 102 stores as at June 30, 2024.

## OUR OPERATIONS

Our operations span the fashion value chain and include activities such as product design, logistics and fulfilment activities.

UNI does not own or operate manufacturing facilities, and we partner with private brand suppliers and third-party brands to curate a range of apparel, footwear, gifts, and accessories products.

## OUR TEAM

Modern Slavery risk in the group's own operations is low. The majority of our team members are operating across our network of retail stores, but also in Support Office roles, or in our Distribution Centres.

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.

We acknowledge the heightened risks of exploitation faced by international migrant labour hires and we comply with the Visa Entitlement Verification System (VEVO) requirements. At year end, Universal Store employed 92 and CTC 26 team members on working visas, primarily in retail casual, administration, and distribution roles.

Our casual employees are hired directly, occasionally utilising intermediary firms that meet conditions aligned with relevant industry awards, including the General Retail Industry Award 2020, Storage Services and Wholesale Award 2020.





## OPERATIONS

### US

<b>123</b>	3rd Party Brands
<b>20</b>	Private label suppliers producing across
<b>32</b>	Approved Tier 1 factories

### CTC

<b>12</b>	3rd Party Brands
<b>24</b>	Private label suppliers producing across
<b>23</b>	Approved Tier 1 factories

## LOCATIONS

### US

<b>94</b>	Stores Australia wide + 2 Online Stores
<b>1</b>	Support Office Brisbane
<b>1</b>	Distribution Centre Brisbane

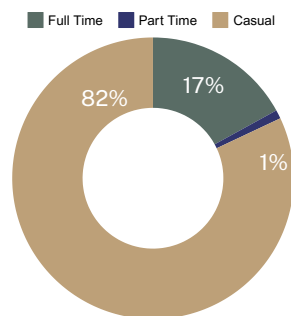
### CTC

<b>8</b>	QLD, NSW, VIC + 1 Online Store
<b>1</b>	Support Office Byron Bay
<b>1</b>	Distribution Centre Byron Bay

## TEAM MEMBERS

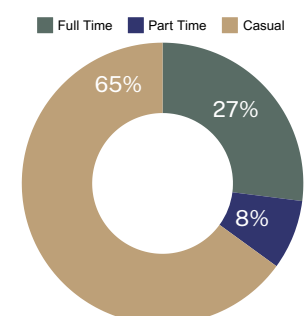
### US

**1783** Total



### CTC

**139** Total

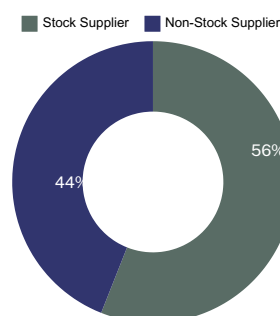


## NUMBER OF EMPLOYEES BY EMPLOYMENT TYPE

## SUPPLY CHAIN

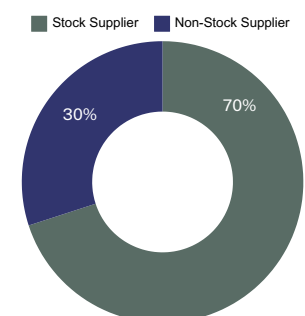
### US

<b>143</b>	Stock suppliers
<b>180</b>	Non-Stock Suppliers



### CTC

<b>36</b>	Stock Suppliers
<b>38</b>	Non-Stock Suppliers



## SPEND (\$) BY TYPE OF SUPPLIER





# OUR SUPPLY CHAIN

At the heart of our business operations is a curated network of stock suppliers, engaged in both services and manufacturing, alongside our internal operations teams that ensure the seamless flow of products and services across our global supply chain.

To support this, we collaborate with non-stock service providers to maintain logistics, retail operations, and office activities, offering essential services such as freight, warehousing, marketing, IT, store management, and other operational support that ensure smooth day-to-day operations.

The most significant opportunity to mitigate the risks of Modern Slavery lies within the production of our private brand products, as well as our close collaboration with third-party brands and non-stock suppliers. Through these relationships, we can work together to ensure ethical practices throughout our supply chain.

## STOCK SUPPLIERS

Stock products are either sourced from third party brands or manufactured for our private brands.

In FY24, the group procured stock from 135 third-party brands (US and CTC). The majority of our third-party brand partners have sales and distribution offices in Australia, but we acknowledge that their supply chain extends to manufacturing overseas.

The group also procured stock from 44 private brand suppliers (US and CTC). As of 30 June 2024, US dealt with 20 private brand suppliers producing across 32 factories and CTC had 24 private brand suppliers producing across 25 factories.

Our private brand partners are based in Australia, China, and India supplying apparel and accessories. 15% of US private brand partners are based in Australia where the risk of Modern Slavery is generally considered lower due to stronger labour laws. However, these suppliers operate out of factories located in China, where Modern Slavery risks are more prevalent.

The product raw materials include a variety of materials, including natural fibres (like cotton and linen), synthetic fabrics (such as polyester and polyurethane), man-made cellulosic fibres (e.g. viscose and lyocell) and non-textile materials (e.g. leather).







## NON-STOCK SUPPLIERS

The group procures non-stock goods (not for resale) and services from 218 vendors (US and CTC) across industries such as Logistics and Warehousing, Marketing and Digital Services, Repairs and Maintenance, IT Services, Corporate Services, Store Fit Outs and Store Operations.

In Australia, the risk of Modern Slavery is considered low relative to other countries, however certain industries are more exposed than others. Sectors that commonly employ a high percentage of migrant workers in low-skilled, temporary roles, such as logistics, cleaning and store fit out construction services, may face an elevated risk of Modern Slavery.

### CASE STUDY 1

## NON-STOCK SUPPLIER ASSESSMENT

During FY24, we engaged with 70 US non-stock suppliers, representing 80% of our non-stock spend.

We analysed our expenditures with non-stock suppliers and categorised them by type of services.

We shared our Supplier Code of Conduct with them and invited them to endorse it to confirm their commitment to shared values around human rights protection and fair working conditions.

27% of our non-stock vendors endorsed the Code.

Further investigations of those vendors who did not provide a response revealed that 96% either complied with the Modern Slavery Act or had established human rights position statements. The remaining 4%, who did not publish a statement or policy, operate in sectors such as property management, which are associated with a lower risk of Modern Slavery.

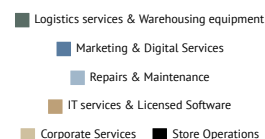
Moving forward, we will continue engaging with our non-stock vendors, particularly those in higher-risk sectors such as cleaning, maintenance, and logistics and survey their management approach. The survey will focus on the importance of Modern Slavery and human rights policies, and due diligence practices throughout the supply chain.

## NON-STOCK SUPPLIERS SPEND BY CATEGORY(%)

### US



### CTC



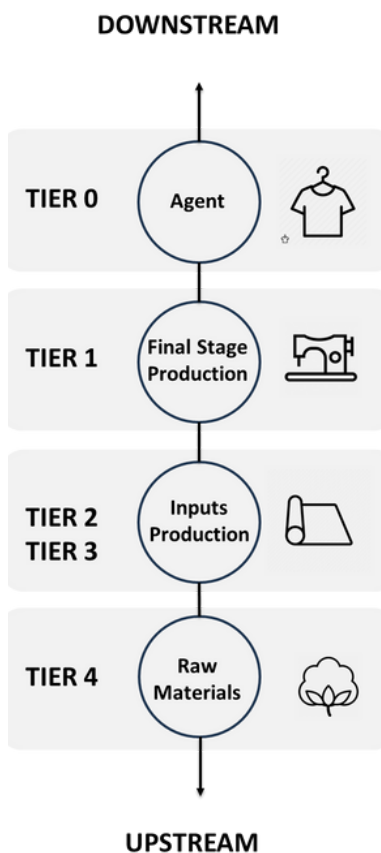
## SUPPLY CHAIN VISIBILITY

In our previous statements, we outlined how we segment our supply chain into distinct tiers to evaluate Modern Slavery risks associated with various stages of our production process.

We categorise our private brand suppliers as Tier 0, acting as agents directly working with our Tier 1 finished goods factories (those that cut and sew garments). Inputs factories (factories such as fabric mills, spinners, dyehouses and laundries) are classified as Tier 2 suppliers.

A list of the US Tier 1 factories is available on our [website](#). The CTC factory list can be found [here](#).

As human rights risks are more prevalent in the less visible tiers of our supply chain, we expanded on our Tier 1 factories factory approval process in FY24 and started collecting audit reports for Tier 2 input facilities, such as fabric mills, yarn suppliers, dyehouses, and laundries.



**Increasing the  
transparency of  
our supply  
chains is a  
priority for our  
business.**





## CASE STUDY 2

### TIER 2 TRACEABILITY

In FY24, we surveyed our top 13 vertical brands' suppliers to obtain details of their Tier 2 facilities. Through this initiative, we mapped 22 input facilities involved in fabric production, including yarn suppliers, dye houses, fabric mills, and various fabric shops and trading offices. 95% of input facilities are in China, with the remaining 5% in India.

We partnered with our top six suppliers to ensure the audit program delivered practical and impactful change in the deeper layers of our supply chain. We worked closely with selected suppliers including a denim supplier, and our recycled cotton shopping bag supplier to improve health and safety practices in their Tier 2 factories during the period.

These audits, which included methodologies like SMETA, BSCI, and the Social and Labour Convergence Program (SLCP), revealed no instances of severe violations such as child labour, forced labour, discrimination, inhumane treatment, or unauthorised subcontracting.

Although some non-compliances were noted, no critical issues were found during these audits. Our supply chain beyond Tier 1 is fragmented, therefore we concluded that it was unrealistic to expect audits to be conducted over all Tier 2 facilities. We also identified the use of market fabrics as a hurdle to supply chain transparency.

We will continue to explore alternative methods for verifying the location of our upstream suppliers, including fibre certification methods and requiring private brand suppliers and their Tier 1 factories to identify supply chain partners. This process is ongoing.



# MODERN SLAVERY RISKS

**UNI acknowledges the human rights risks exist across complex and global supply chains. We take steps to assess, identify, and minimise these risks by maintaining a management system, and collect information on our supply chain to increase transparency and oversight.**

Modern Slavery is a global issue, hidden in everyday life. Each day, people are coerced into exploitative situations, producing goods or providing services we unknowingly use. The 2023 Global Slavery Index estimates 49.6 million people are in Modern Slavery worldwide, including 27.6 million in forced labour. Of these, 11.8 million are women and girls, and over 3.3 million are children<sup>[1]</sup>.

UNI's approach to identify, monitor and manage Modern Slavery risks within our supply chain is outlined in the Modern Slavery Framework introduced in our previous statements.

Our Modern Slavery risks remain associated with country, commodity, and industry factors. These risks are often embedded deeper in our supply chain.

We recognise that our direct influence is strongest with our private brand suppliers and their Tier 1 factories.

Therefore, our approach primarily targets our private brand suppliers and increasingly, their immediate supply chains.

By focusing on these direct partnerships, we assess and address the highest risks of Modern Slavery within our reach and concentrate on areas with the greatest potential for positive impact.

## COUNTRY RISKS

Modern Slavery is more common in countries with weak legal systems, widespread corruption, and vulnerable populations facing inequality, poverty, or displacement. Overall, 97% of Tier 1 factories linked to our US suppliers are based in China, with the remaining 3% located in India. For CTC's Tier 1 factories, 88% are in China, while 12% are in India.

### CHINA

According to the 2023 Global Slavery Index, the estimated portion of the population living in Modern Slavery in China is 4.0 per 1,000 people <sup>[2]</sup> — a 44% rise in Modern Slavery risk since 2022.

### INDIA

India remains high-risk, with 8.0 people per 1,000 affected by Modern Slavery. Vulnerability in India is driven by conflict, climate change, gender discrimination, and marginalisation of minority groups.

Given these elevated regional risks, we require all new vendors and existing suppliers with significant annual spending in high-risk industries or regions to endorse our Supplier Code of Conduct. In addition, all suppliers and their Tier 1 factories are required to participate in our Social Accountability Audit Program by submitting a verified third-party social factory audit.

## COMMODITY RISKS

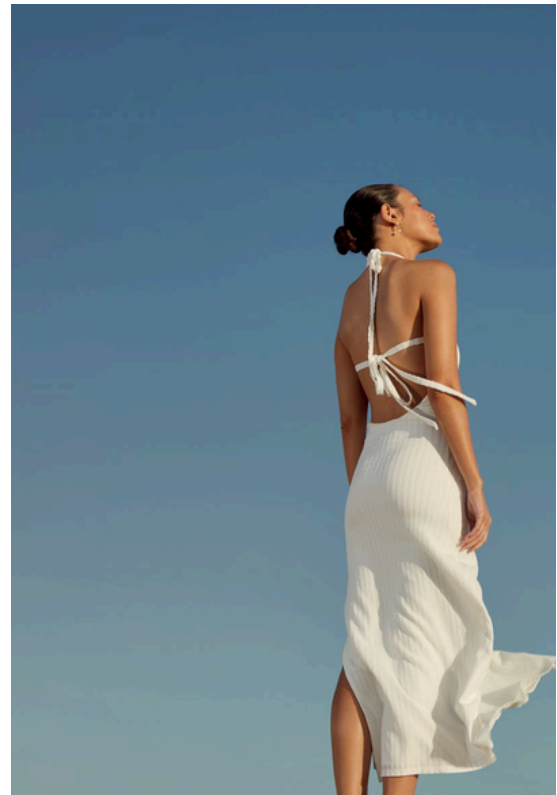
Some key commodities we procure, such as cotton fibres, may carry elevated risks of Modern Slavery.

The international community, including the Australian government, has concerns over forced labour and oppression of the Uyghur Muslim minority in China's Xinjiang province, a region known for its high volume of cotton production.

UNI is monitoring developments and remains committed to complying with any future government directives. The use of Xinjiang cotton is addressed in our Supplier Code of Conduct.

Sourcing products made of fibres such as OCS-certified and GOTS-certified cotton contributes to alleviate Modern Slavery risks associated with raw materials.

We track details of certified raw materials origin, and follow-up with suppliers where high-risk regions are identified, aiming to ensure that suppliers from these high-risk areas are excluded from our supply chain.



<sup>[1]</sup>Global Estimates of Modern Slavery, International Labour Office + Walk Free Foundation, 2023

<sup>[2]</sup>Global Estimates of Modern Slavery - China, International Labour Office + Walk Free Foundation, 2023



**“By focusing on these direct partnerships, we assess and address the highest risks of Modern Slavery within our reach and concentrate on areas with the greatest potential for positive impact.”**

## INDUSTRY RISKS

Our private brand suppliers and their Tier 1 factories are the most likely to pose labour rights related risks directly connected to our business activities.

To address these risks, our Supplier Code of Conduct is included in all Supplier Agreements. This agreement serves as a binding trade condition. In addition, Tier 1 factories also need to endorse the Supplier Code of Conduct.

Exercising oversight of human rights risks beyond Tier 1 suppliers remains a challenge.

## MODERN SLAVERY RISKS IN TEXTILE MANUFACTURING

The global textile industry is heavily reliant on human labour. The industry’s complex, global and fragmented supply chains in emerging economies create elevated Modern Slavery risks.

The Modern Slavery risks prevalent in our industry include:

- Forced labour
- Child labour
- Unauthorised sub-contracting
- Deceptive recruitment of migrant labour
- Exploitation of vulnerable workers

We monitor industry risks through our ethical sourcing software, desktop research, media tracking, expert guidance from webinars, and input from NGOs such as BWA and Oxfam, as well as industry partners like SEDEX and QIMA, peers, and suppliers.

## SUPPLIER RISKS

The issues most frequently reported in the suppliers’ audits include:

- Freedom of association
- Wages and social benefits
- Working hours
- Health and Safety

Working towards building leverage with our partners and to encourage more responsible business practices, we have set clear expectations for working conditions when sourcing and manufacturing US products.

The UNI Supplier Code of Conduct prohibits the use of slavery-like practices, including forced labour and child labour. It also outlines our commitment to safe working conditions, fair recruitment practices, and the prevention of discrimination and excessive working hours.

In FY24, we introduced a new software that allows us to enhance our capability to monitor our supply chain. The implementation of the software continued in FY25.

## CASE STUDY 3

### OUR SUPPLY CHAIN (OSC)

OSC is an ethical sourcing software solution that secures our ethical sourcing data, improves our risk assessment and enhances supply chain traceability.

The platform tracks factories social audit history and ranks factory performance based on the results of their social compliance, as reflected in the third-party audits they submit. These audits evaluate suppliers against a comprehensive set of risk criteria in key performance areas, including labour standards, health and safety, business ethics, and environmental management.

Suppliers can submit various audit formats through the platform allowing for standardised processing of audit results and facilitating the analysis of valuable insights into risk hotspots and opportunities for future improvements.

Using the software, audits are assessed according to the severity and number of findings, with a ranking indicating critical issues and major non-conformances.

Through the platform we can quickly analyse indicators for individual sites across various high-risk areas related to forced labour, freedom of association, working hours, gender policies, discrimination and employment practices.

The system also highlights areas where suppliers excel or need improvement, enabling US to issue clear, actionable feedback to resolve identified issues including the development of necessary capability-building initiatives to improve ethical standards.



# OUR MODERN SLAVERY FRAMEWORK

## GOVERNANCE

Our governance structure, guided by the Group's Board of Directors, ensures adherence to ethical and human rights standards across our operations.

The Advisory Board of CTC - composed of selected members of the Group's board - ensures governance standards are being implemented in the CTC environment.

The Audit and Risk Committee (ARC) has a delegated authority from the Board to oversee the implementation of our Modern Slavery framework across the group.

The CEO is a member of the Board and reports regularly to the Audit and Risk Committee (ARC). Regular updates from the Head of Sustainability to the CEO and the Board ensure transparency and accountability in managing our ethical sourcing progress.

The Sustainability and Ethical Sourcing (SES) team implements ethical sourcing policies and manages key projects, particularly engaging with our stock and non-trade stock suppliers.

The SES team works closely with internal departments and private brand suppliers, driving efforts to ensure our human rights obligations are supported throughout the supply chain.

## POLICY

UNI has a set of policy standards on ethical conduct and Modern Slavery, ensuring compliance with laws and prohibiting the worst forms of slavery.

The **Corporate Code of Conduct** guides employees in maintaining integrity, ethical behaviour, and legal compliance. Adherence to the Code is a mandatory condition of employment at Universal Store.

The **Supplier Code of Conduct** aligns with industry standards, and outlines expectations and minimum requirements regarding labour rights, non-discrimination, fair wages, and worker safety.

The Code also outlines compliance procedures, and auditing mechanisms applying to all suppliers. The Code applies to private brand, third-party brands, and non-stock suppliers, and is communicated for acceptance as part of suppliers' onboarding procedures.

It is a condition of trade for all third-party brands to adopt our Supplier Code of Conduct or provide evidence that their ethical sourcing policies align with our Code's principles.

As of 30 June 2024, 99% of third-party brands were meeting our standard, an improvement of 5% vs prior year.







#### CASE STUDY 4

### LEATHER ACCESSORIES SUPPLIER

In late 2023, our team contacted an approved accessories supplier to resolve a critical issue raised in a recent social audit.

Our non-conformance management process does not tolerate issues that pose direct and immediate dangers to workers. As part of this process, UNI reviews the issue, works towards remediation, and then decides on the most appropriate course of action regarding our partnership.

In this case study, the concern was related to the operation of fire safety equipment, in breach of local legal requirements and Principle 4 of our Supplier Code of Conduct.

Despite the supplier providing evidence that the issue had been resolved, a follow-up audit uncovered that the issue persisted.

In alignment with our process, we decided to put existing and future orders on hold with the supplier until the issue was fully resolved.

However, considering the supplier's failure to address the critical safety issue, and in consultation with the executive, we decided to discontinue collaboration with this supplier and their factory.

### TRAINING

We provide our teams and private brand suppliers with training on our Supplier Code of Conduct, emphasising the importance of transparency in factories, respect for labour rights, and encouraging a commitment to fair treatment and equal opportunities for all workers.

The Introduction to the US Code of Conduct and Modern Slavery Awareness e-learning sessions are included in the onboarding process for all Product and Support Office team members involved in procurement. These sessions are designed to educate team members on applicable policy and emphasise that Modern Slavery can occur anywhere, including within Australia.

As of 30 June 2024, 100% of our US Product team and 92% of our eligible US Support Office employees had completed the Supplier Code of Conduct training.

99% of eligible US Support Office teams participated in the Modern Slavery Awareness module, ensuring that these teams are better informed and prepared to manage human rights risks.

During the reporting period, we trained 93% of our private brand supplier base, therefore reinforcing the expectations outlined in our Supplier Code of Conduct and maintaining open communication with suppliers.

# OUR INITIATIVES

Refer to our previous statements, for details of our due diligence process, centred around our supplier onboarding process, our social accountability audit program, the non-conformances management process and our approach to continuous engagement with our suppliers.

All suppliers must provide an independent social compliance factory audit and endorse the Supplier Code of Conduct. These requirements are integrated into our standard supplier agreement and onboarding processes.

## FACTORY APPROVAL

In FY24, we have taken steps to ensure that all manufacturing takes place exclusively in pre-approved declared factories. The Tier 1 factories are required to endorse the subcontracting factory approval process specified in the Code.

The Supplier Code of Conduct is the reference document to assess any issues that arise in suppliers' factories and ensure compliance with ethical standards. We use it to identify risks relating to human rights or health and safety and acts as a safeguard, preventing orders from being placed with facilities that fail to meet the minimum requirements outlined in the Code.

## TRANSPARENCY

OSC, our new ethical sourcing software is also used to map our supply chain, record audit findings and analyse workers demographic details. OSC centralises information for all Tier 0, 1 and 2 suppliers involved in our supply chain.

Through our Social Accountability Audit Program, we actively monitor and track key social performance indicators including:

- Fair wages
- Grievance Mechanism
- Worker representation bodies
- Workforce gender and migrant ratios

The system also records our supplier engagement activities and enables automated workflows to support our suppliers in tracking their factories' audit expiry dates.

In addition, UNI uses the SEDEX platform to assess inherent risks across its supply chain and analyse suppliers' social performance.

We continue exploring other tools to enhance supplier capacity and promote continuous improvement in their labour practices, such as external grievance hotlines that allow workers to report concerns confidentially and independently, as these initiatives align with our responsible sourcing objectives.







## PROACTIVE CAPACITY BUILDING

The OSC system strengthens our due diligence approach, enabling Universal Store to use audit information and engage suppliers on their factories' social performance.

The categorisation of non-conformances supports informed internal decision-making and engagement with suppliers. Suppliers are encouraged to improve their standing by adopting better practices. By introducing transparency into the process, this approach promotes continuous improvement towards higher ethical standards.

By inviting our suppliers to resolve issues in accordance with the Corrective Action Plan (CAP), we assist in resolving the issues raised in audits and encourage improvements.

We believe that the commitment to identify and mitigate Modern Slavery risks is a shared responsibility, helping suppliers meet international human rights standards and working collaboratively towards a safer, more ethical working environment across our supply chains.

## SUPPLIER ENGAGEMENT

We are committed to the safety and wellbeing of workers in factories within our supply chain.

We track and monitor all audit non-compliances, such as factory conditions and excessive overtime. We record all non-compliance descriptions, required corrective actions, and responses from our suppliers and their Tier 1 factories.

Our system facilitates effective tracking and following-up until full resolution. Health and safety issues are closely monitored, with weekly follow-ups to encourage facilities to resolve these concerns within 30 days.

During FY24, Universal Store addressed a total of 149 non-conformances across key areas of concern, including Health & Safety, Excessive Working Hours, Living Wages & Benefits and Governance. This included resolving 60 out of 73 Health and Safety issues (82% closure rate), with 13 open issues as at 30 June 2024.

Other findings were systemic challenges, such as excessive working hours, governance practices, and employment benefits, particularly social insurance. We acknowledge that systemic issues are difficult to address without a collaborative, multi-stakeholder approach.

Our ongoing effort includes active collaboration with suppliers to ensure that corrective actions are taken within agreed timeframes. For the first time, we successfully resolved two issues related to excessive working hours and worker benefits, including matters relating to social insurance.

## PUBLIC REPORTING

UNI continues to participate in stakeholder surveys, including the Baptist World Aid Australia (BWA) Ethical Fashion Survey, to benchmark our practices and identify potential improvements to our due diligence processes.

Insights from these ethical surveys, are used to inform and enhance our ethical sourcing approach.





CASE STUDY 5

NON-CONFORMANCES ANALYSIS

To progress in enabling targeted risk mitigation strategies, we continue to work on promoting safe, fair working conditions and protecting the rights of the workers involved in our supply chain. In FY24, we conducted a detailed analysis of the key risks associated with our most frequent non-conformances.

The SES team logs all non-compliance descriptions, categorising them into key areas such as Health and Safety, Living Wages & Benefits, Governance and Working Hours.

Each category is further divided into specific issue titles that detail individual problems. For example, the category 'Health & Safety' accounted for the largest share of non-compliance issues, including over 49% of total issues identified in our factory audits.

This category is broken down into specific concerns, with the top three being: **equipment safety**, particularly the absence of needle guards on sewing machines; **fire safety**, which includes adherence to evacuation protocols; and **chemical safety**, specifically regarding proper labelling and containment.

During the reporting period, we actively engaged with our suppliers and their partners to remediate to the lack of essential safety features on machines, preventing injuries common in fast-paced production environments.

We also insisted on clear pathways being maintained in factories to facilitate safe evacuation during emergencies.

Finally, we provided guidance to implement effective cleanliness standards, such as routine sanitation schedules and access to personal protective equipment.

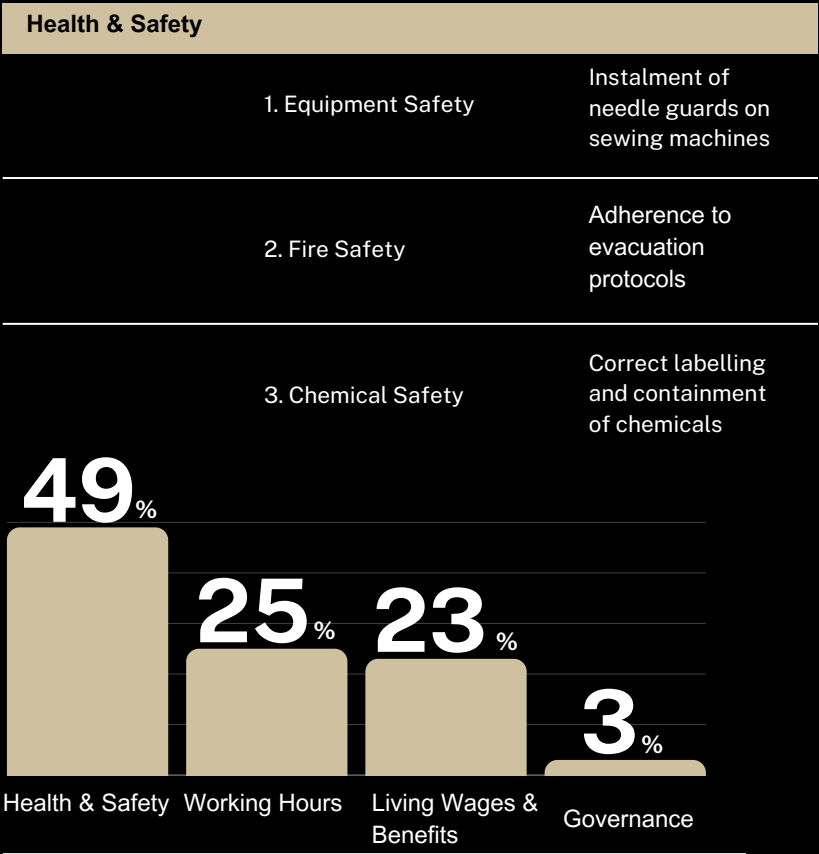
As a result, 80% of the identified safety issues have been successfully resolved by the end of FY24.

“Social insurance” and “excessive overtime” are issues raised frequently in suppliers’ factory audits, especially those located in China.

We acknowledge the importance of monitoring and managing overtime to prevent fatigue that can lead to safety hazards for garment workers.

Collaborating with our suppliers, we started to discuss how to establish clear work schedule guidelines that promote a healthier working schedule and meet production demands.

In FY25, we plan to better understand the complexities of systemic non-compliances, harnessing the competencies of our teams, and engaging factory management to improve overtime and social benefits compliance across our supply chain.



RATIO OF NON-CONFORMANCE BY CATEGORY IN AUDIT REPORTS FY24



# MEASURING EFFECTIVENESS

UNI is continuously seeking to improve its policies, procedures and actions in relation to Modern Slavery. We use the below 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%	99% 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 endorsed	Private brand factories	100%	100% US
	Third party brands suppliers	100%	99% TP brands

## LOOKING FORWARD

With a focus on transparent and balanced reporting for our stakeholders, we acknowledge the importance of highlighting challenges Universal Store faces in implementing our ethical sourcing initiatives. As we move into FY25, we plan to enhance the following key areas:

- Review and strengthen our Factory Approval Process
- Refine our evaluation and risk assessment methods
- Analyse factory production capacity reports
- Engage high-risk non-stock suppliers on modern slavery due diligence
- Pilot a US Worker Voice initiative
- Continue mapping our supply chain beyond Tier 1

# OTHER INFORMATION



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

Mandatory Reporting Criteria		Location of information in this statement	Page
Criterion 1	Identify the reporting entity.	About Our Company	Page 4
Criterion 2	Describe the Reporting entity's structure, operation and supply chain.	Our Supply Chain	Page 6
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.	Modern Slavery Risks	Page 10
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 Initiatives	Page 14
Criterion 5	Describe how the reporting entity assesses the effectiveness of these actions.	Measuring Effectiveness	Page 17
Criterion 6	Describe the process of consultation with any entities that the reporting entity own and controls.	Process of Consultation	Page 1
Criterion 7	Provide any other information.	This Table	Page 18



**UNIVERSAL STORE HOLDINGS LTD**  
**ABN 94 628 836 484**

**REGISTERED OFFICE**

42A, William Farrior Place  
Eagle Farm QLD 4009  
Australia

Phone: 1300 553 520

Email: [sustainability@universalstore.com.au](mailto:sustainability@universalstore.com.au)

**Universal Store**