



2023 Modern Slavery Statement for BSR Group

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About this Statement

This Modern Slavery Statement serves as a review of the actions the BSR Group has taken to assess and address the risk of modern slavery within our operations and supply chain during the reporting period 1 July 2022 – 30 June 2023.

It has been prepared in accordance with the *Modern Slavery Act 2018 (Cth) (Act)* and the Commonwealth Modern Slavery Act 2018 Guidance for Reporting Entities dated May 2023 and is issued by BSR Australia Limited on behalf of all the BSR Group’s reporting entities and controlled subsidiaries.

1 A message from our CEO

This is BSR Group's fifth Modern Slavery Statement, which sets out our continuously improving efforts to identify, manage and mitigate Modern Slavery risks in our operations and supply chains.

The International Labour Organisation, Walk Free, and the International Organisation for Migration currently estimate that 50 million people globally are affected by modern slavery. This figure is an increase on the 2017 estimate of 40.3 million and translates to nearly one of every 150 people in the world. This increase is partially due to the effects of the Covid-19 pandemic, and the availability of better data. These statistics are a stark reminder of the importance of our commitment to ensuring the goods and services our corporate stores and associated retailers provide are free from modern slavery.

BSR Group continues to deliver on our due diligence obligations through the interrogation of our global supply chains. This ensures that the confidence our customers place in the goods and services they purchase from BSR Group is based on the knowledge that the human rights of workers who made those goods and involved in all aspects of the supply chain have been respected.

We recognise that even for products sold in Australia, modern slavery can occur early in the supply chain. To ensure transparency from the initial stages of production, right through the supply chain process, we continue to work with the National Associated Retail Traders of Australia (NARTA), through our support of its Modern Slavery Initiative (MSI). As it matures this initiative will streamline the Group's collection of modern slavery information from our major consumer electrical goods suppliers, further strengthening our confidence.



Gavin Carter
CEO

18 October 2023

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2 Overview

This Modern Slavery Statement serves as a review of the actions the BSR Group has taken to assess and address the risk of modern slavery within our operations and supply chain during the reporting period 1 July 2022 – 30 June 2023. It has been prepared in accordance with the Modern Slavery Act 2018 (Cth) (Act) and the Commonwealth Modern Slavery Act 2018 Guidance for Reporting Entities dated May 2023 and is issued by BSR Australia Limited on behalf of all the BSR Group's reporting entities and controlled subsidiaries.

To find out more about the nature of our business, you can visit <https://www.bsrgroup.com.au/>

3 Our Structure and Operations

BSR Group (**BSR Group**) is comprised of a parent company BSR Australia Ltd (ACN 122 529 695) (**BSR Australia**) which is an unlisted public company ('BSR Australia'), and the following wholly owned subsidiaries:

1. BSR Franchising (ACN 122 556 094) (**BSR Franchising**).
2. Stan Cash Superstore Pty Ltd (ACN 160 223 914) (**Stan Cash Superstore**).
3. Stan Cash Online Pty Ltd (ACN 142 725 997), the holding company of Stan Cash Superstore.

During the reporting period this statement covers, we maintained a Modern Slavery Working Group comprised of senior executives of BSR Australia, including those engaged in the businesses of BSR Franchising and Stan Cash Superstore to inform and contribute to the development of the statement. For clarity, all senior executives of the BSR Group are employed by BSR Australia. The directors of BSR Australia are also directors of all the subsidiaries.



3.1 BSR Franchising

BSR Franchising undertakes the following business operations:

- **As a franchisor** to a network of Australian retail stores operating in the electrical and furniture goods industries, under the brands Betta / Betta Home Living, Designer Appliances and Furniture Zone, and also, as a service provider to retailers operating under their own brands (BBA's). There are over 200 independent retail businesses across Australia associated with BSR.
- **As joint venturer** in the retail business Whitford's Home Appliances providing marketing assistance and supplying goods to the store network for resale.
- **As logistics partner** holding stock for resale in warehouses.
- **As retail operator** through six company owned electrical and furniture stores, Betta Home Living Underwood, Betta Home Living Cannon Hill, Betta Home Living Hervey Bay, Betta Home Living Belmont, Betta Home Living Parkes, and Betta Home Living Camberwell.

- **As online retailer** of electrical and furniture goods via the following websites:
 - www.betta.com.au
 - www.designerappliances.com.au
 - www.furniturezone.com.au
- **As a commercial supplier** of furniture, electrical and bathroom goods via the brands RT Edwards Commercial and BSR Commercial.
- **As supplier of appliances** through our insurance partners.
- **As direct importer** of furniture, electrical, kitchen and front of wall plumbing goods for resale under the brands BSR Direct and Norj.
- **As retailer** of Australian made mattresses and beds under the Eversleep brand.



3.2 Stan Cash



Stan Cash Superstore undertakes the following business operations:

- **As an online retailer** of electrical and furniture goods via the following website:
 - www.stancash.com.au
- **As an online retailer** of electrical goods via the following website:
 - <https://www.billyguyatts.com.au/>
- **As a retailer** of electrical and furniture goods via its retail shops in Brooklyn and Keilor in Melbourne, Victoria.

4 Our Supply Chains

Our direct import product range consists of upholstered and timber furniture along with electrical appliances and front of wall plumbing.

Furniture finished goods are sourced from China, Vietnam, Thailand, and Malaysia.

Electrical and front of wall plumbing finished goods are sourced from China, Turkey, and Italy.

Limiting our procurement to well-resourced suppliers within discrete geographic areas which have verifiable international client bases allows us to deliver on our commitment to the abolition of modern slavery within our supply chains by:

- restricting our dealings to suppliers experienced in complying with recognised international brands' procurement requirements including those relating to ethical sourcing of components and modern slavery;
- avoiding smaller factories which may be incentivised to take advantage of perceived commercial benefits of engaging in unlawful business practices; and

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- (c) engaging with internationally recognised logistics operators with readily verifiable business practices which comply with all relevant legislation including modern slavery laws.

Our wider supply chain includes engagement with local wholesale importers and resellers. Through our governance processes (including annual supplier self-audits and certification) we ensure these business partners' business practices:

- (d) are ethical;
- (e) align with the BSR Group's values; and
- (f) meet all relevant legislative requirements.

5 Potential modern slavery risks

We have identified the following modern slavery risks which may arise through our business activities or relationships, either directly or indirectly:

- Non-compliance with health and safety requirements.
- Unlawful or unsafe working hours.
- Underpayment of wages.
- Forced labour, child labour.
- Freedom of association.
- Broader non-compliance with human rights including employee rights to equality, fair pay, safety, and privacy.

6 Our governance of modern slavery risks

BSR Group is committed to taking all reasonable steps to ensure that there is no modern slavery in our supply chains or in any part of our business and acknowledge our role and responsibility in seeking to safeguard human rights through ethical and sustainable business practices.

To identify and mitigate risk, BSR Group has the following systems in place:

6.1 Modern Slavery Policy

We have published a Modern Slavery Policy which sets clear objectives around our supplier engagement process, grievance mechanisms and supplier collaboration.

6.2 NARTA Modern Slavery Initiative

BSR Group is a member of the National Associated Retail Traders of Australia (**NARTA**) and utilises this membership to share and benefit from NARTA's Modern Slavery Initiative (**MSI**), an industry focused program which supports businesses in reviewing practices within their supply chain to deliver best-in-class ethical standards and meet reporting requirements under the Act.

NARTA facilitates the collection of modern slavery content from consumer electronics suppliers (non-direct import) via a standardised reporting system. NARTA then shares that content with its members to assist them in meeting modern slavery reporting requirements. This aims to ensure a higher level of transparency across the industry.

BSR's Modern Slavery Working Group has incorporated the MSI data to streamline our collection of annual modern slavery content from many of our major suppliers.

6.3 Compliance Questionnaire

We require all suppliers to complete an annual Compliance Questionnaire to:

- (a) verify the supplier's status as a "reporting entity" under the Act or otherwise;
- (b) describe any identified risks of modern slavery in their operations and supply chains and actions taken to address those risks; and
- (c) provide details of all policies and procedures implemented to monitor, identify, investigate, disclose, and remediate any instances or potential instances of modern slavery.

All Group suppliers must have compliant modern slavery policies or equivalent which must be provided:

- (d) during onboarding;
- (e) at contract renewal, or
- (f) annually (for longer contracts).

6.4 Supplier Contracts

Where possible, we have incorporated modern slavery clauses into our contracts with all suppliers (including suppliers of transportation and logistics services) and product manufacturers. This includes our product supplier agreements which are updated on an annual basis. The clauses include obligations requiring suppliers to:

- warrant compliance with modern slavery laws;
- take reasonable steps to eliminate modern slavery risks within their supply chains or the supply chains of their subcontractors;
- notify us in the event of actual or suspected incidences of modern slavery in their business operations or supply chain that has a connection to our business; and
- agree to our right to terminate the agreement if the supplier breaches any of the modern slavery provisions of the agreement.

6.5 Reporting suspicions of slavery

BSR Group maintains a Whistleblowing Policy, which is available internally on our employee intranet and externally at www.bsrgroup.com.au. Under the policy, all personnel, and other eligible whistleblowers can report any conduct which raises suspicions of breaches of the Modern Slavery Policy. We review and update our whistleblower policy regularly and provide whistleblower training to staff.

6.6 Training

All employees undergo an induction process where our policies, procedures and expectations are outlined. This includes specific training on our Modern Slavery Policy and incident reporting.

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6.7 Key performance indicators

BSR Group has the following key performance indicators in place to measure its effectiveness in taking all reasonable steps to reduce the risk of modern slavery:

- An annual review and update of the modern slavery statement;
- Communication and personal contact with the supply chain to ensure their understanding and compliance with our expectations;
- Review of supplier responses to the annual BSR Compliance Questionnaire regarding modern slavery risks and mitigation;
- Sharing and receiving modern slavery compliance information regarding indirect furniture and electrical suppliers via its membership with NARTA;
- Regular spot check audits of supplier manufacturer factories located overseas (will recommence in FY24).

6.8 Establishment of an Environment Social Governance (ESG) Committee

BSR Group has recently established an ESG committee. The role of the Committee is to embed sustainability and ESG into decision-making and long-term growth strategies, and also to monitor and report on BSR Group compliance with modern slavery legislation and best practice corporate governance initiatives.

7 COVID-19 Pandemic Risk Review

In response to the COVID-19 pandemic, BSR Group required supplier manufacturers to complete a COVID-19 questionnaire which outlined the steps they have taken to protect their vulnerable workers from COVID-19. This was to ensure workers were not underpaid or overworked due to the pandemic, and systems were in place to support the safe return of migrant workers in the event of a shutdown of factories due to COVID-19.

Due to the Government imposed travel restrictions during the pandemic, it was not possible for BSR Group management to attend factories of supplier manufacturers to conduct routine spot audit checks. However, the audit program to monitor supply chain exposure to modern slavery risks for overseas manufacturers is scheduled to recommence in FY 24.

8 Board Approval

This statement was approved by the Board of Directors of BSR Australia Ltd and adopted by all BSR Group subsidiaries on 18 October 2023.

A handwritten signature in black ink, appearing to read 'Garry Thyer'.

Garry Thyer
Chairman of the Board