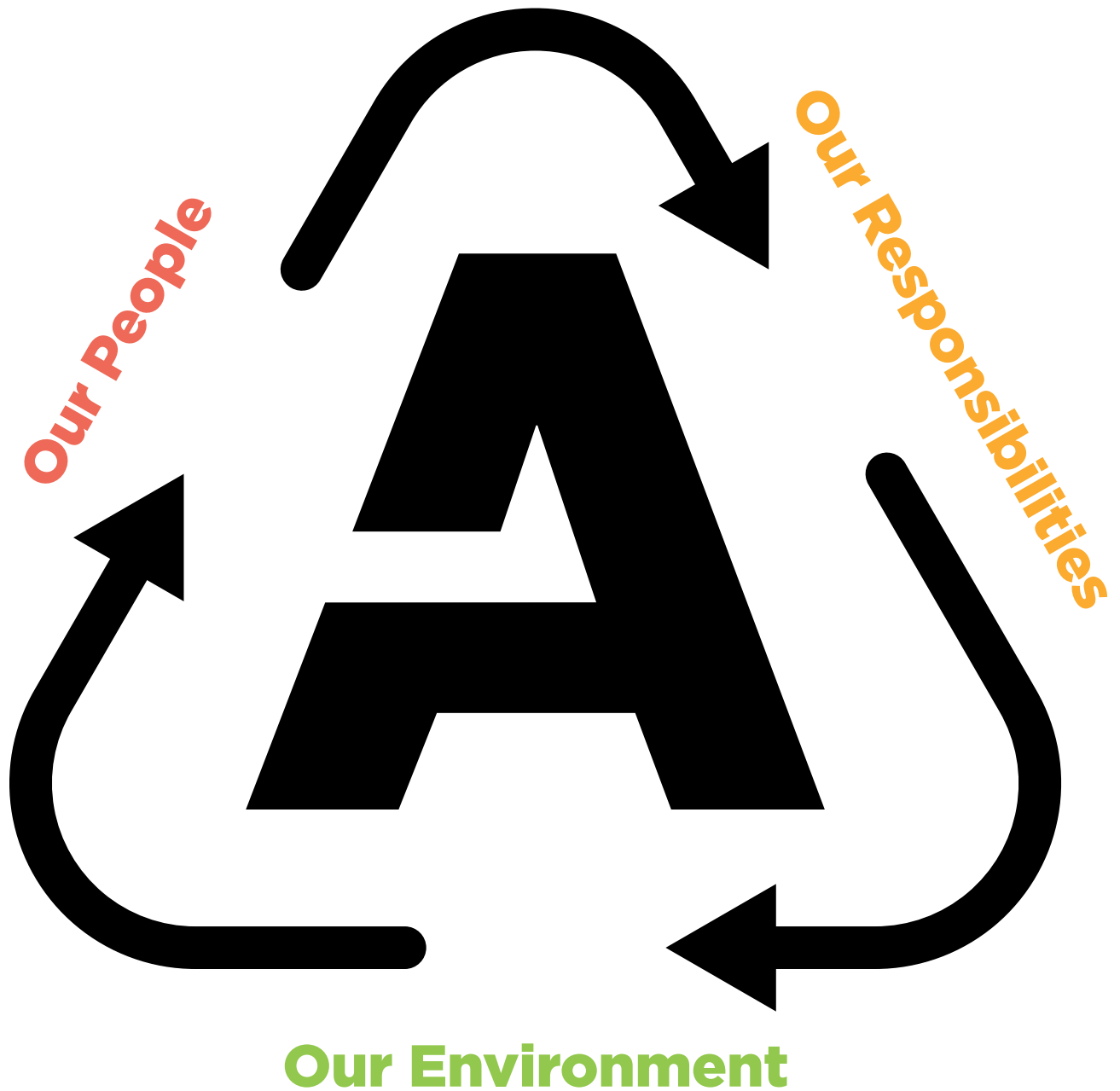


Accent Group



**Accent Group Sustainability Report
Financial Year 2023**

CEOS' MESSAGE



Daniel Agostinelli
Chief Executive Officer

I am pleased with the progress Accent Group continues to make in driving positive impacts across the environments in which we operate.

I am delighted that we have strengthened our commitment to maintaining sustainable business practices which continues to reflect the expectations of our team members, customers, and shareholders.

Our Sustainability Framework is founded on 3 pillars; our people, our responsibilities and the environment. This has helped us identify, focus and drive the environmental, social and governance activities across the business which demonstrates our commitment to improving our posture as a corporate citizen.

In FY23 we continued the journey we started in FY21. We are committed to making a positive impact on the people, communities and environments in which we operate. We will be proactive, learn from past and current initiatives, and most importantly, we will focus on "making it happen" across Accent Group.

Daniel Agostinelli
Chief Executive Officer

ABOUT THIS REPORT

This report has been prepared by Accent Group Limited (**Accent Group** or **Group**).

The report was reviewed internally by our Environmental and Social Governance Steering Group, and approved by management and the Board of Accent Group before being released to market.

It covers Accent Group's operations across Australia and New Zealand, including our store network, support offices and warehouse for the period 28 June 2022 to 26 June 2023. All financial figures are reported in Australian dollars.

More detailed financial information can be found in the Group's 2023 Annual Report, available on our website www.accentgr.com.au. Our website also includes our Ethical Sourcing Policy, APCO Action plan and our Modern Slavery Statement.





Accent Group Limited (**Accent Group, Company or Group**) is a leading omni-channel consumer business in the retail and distribution sectors of performance and lifestyle footwear and apparel.



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KEY ACHIEVEMENTS IN FINANCIAL YEAR 2023



Our People

65:35

female to male ratio

2.24

total recordable injury frequency rate
14% improvement from FY22

Launched the Accent Group

Cultural Commitments



Our Responsibilities

75%

of factories are "Tier 1" and have been audited

\$450k

donation to headspace and NZ Youth Line over next 3 years

95%

of team members completed cybersecurity training



Our Environment

69,752

pairs of shoes recycled across 303 collection points

95%

of store-based team members completed online recycling initiative

Carbon Emissions

we are preparing for climate related financial disclosure

ABOUT US

In the reporting year FY23, we operated 786 retail stores, 35 online platforms and represent 26 retail brands across Australia and New Zealand.



786

RETAIL STORES



35

ONLINE PLATFORMS



26

RETAIL BRANDS

We have a portfolio of 9 own brand labels along with our store brands and hold the exclusive distribution rights for 17 global brands across Australia and New Zealand.

All our operations are located within Australia and New Zealand, and include the following activities:

MULTI-BRAND RETAIL OPERATIONS:

The retail stores and websites through which we sell third-party and own-branded merchandise, including a range of Australian and global footwear and apparel brands.



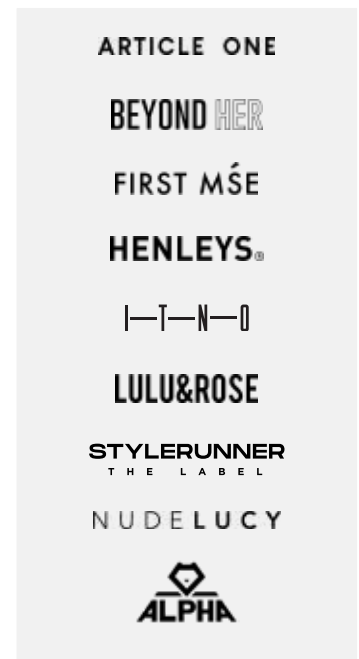
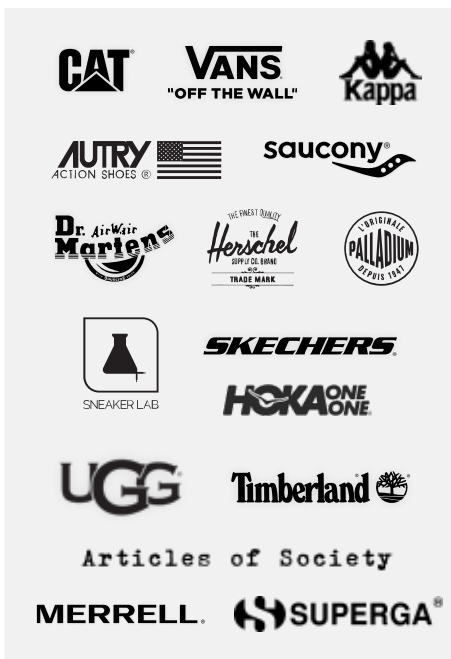
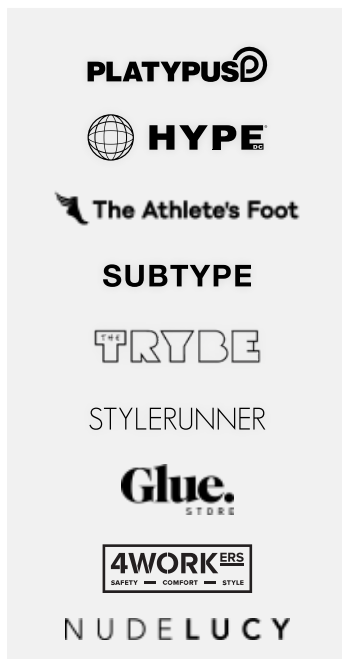
DISTRIBUTED BRANDS:

We hold exclusive distribution rights for a range of global footwear brands across Australia and New Zealand. We sell merchandise from these brands in our multi-brand and stand-alone retail operations and online. We also sell merchandise from these brands to other retailers on a wholesale basis.



ACCENT OWNED BRANDS:

We source finished merchandise across footwear, apparel, and accessories, created specifically for Accent owned brands that we source directly from third party agents and factories for direct retail and wholesale distribution.



OUR COMMITMENT TO BUSINESS SUSTAINABILITY

At Accent Group, we are committed to building and maintaining sustainable business practices throughout our operations. Through this, we strive to be an employer of choice for team members, meet our customers' expectations and deliver long-term value to our shareholders.

Our Environmental and Social Governance (ESG) Framework was developed internally with the engagement of key stakeholders across the business including team members, advisors and brand partners. We were also informed by a review of market best practice.

The Accent Group ESG Framework is used to drive the ESG agenda through the business and focuses our commitment on three key pillars: our people, our responsibilities and our commitment to the environment.

Our People Come First because we would not be where we are without them.

Our Responsibilities are centered on acting with integrity and with an ethical purpose. We support the communities in which we operate and understand the importance of maintaining the security of the information we manage.

We care for **our Environment** and commit to initiatives to improve the impact we have on the planet.

The ESG Steering Group governs the sustainability agenda and drives the Company's ongoing commitment to the environment, health and safety, corporate social responsibility, sustainability, and other public policy matters. The ESG Steering Group has a broad representation within the business and is charged with supporting leaders across the Company to align their respective business strategies with evolving ESG strategies.

Our Audit and Risk Committee and Board have ultimate responsibility and sign-off on all key ESG related matters.



Mission Statement

To be the market leading, digitally integrated retail and distribution business in the performance and lifestyle market for footwear, apparel and accessories in Australia and New Zealand.



Our Purpose

We are a people led business that is customer obsessed at all times.

We exist to compete and we are committed to providing the best possible customer experience, together with driving a culture in which our teams can thrive.

We are continuously strengthening our brands and products to improve our competitive position.

ACCENT SUSTAINABILITY PILLARS

At Accent we *"Make it Happen"*



Our People

Our people come first



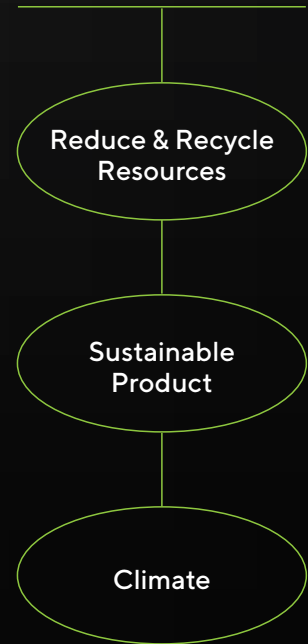
Our Responsibilities

We act with integrity



Our Environment

We care for our environment



OUR PEOPLE COME FIRST

Our team members are our most valuable asset.

We recognise that the performance of Accent Group is driven through the quality and motivation of our people, with over **7,500 team members** employed across Australia and New Zealand.

Cultural Commitments

The Accent Way (6) + 1



All In

It is easy being an average Retailer, we don't do average. We can inspire and achieve by our attitude and actions. We make decisions, take action and get it done. Everything we do, we do with purpose and a sense of urgency. We bring the best version of ourselves to work everyday. We are All In and "Make It Happen"!



Customer Obsessed

It's about the Customer, always! We are customer obsessed and exist to satisfy the Customer, doing everything we can to add value to their experience. We put ourselves in our Customer's shoes and provide an exceptional Customer experience, without exception.



Communication

Communication is both directions - listening, as well as talking. Get communication going continuously and in as many ways as you can. Honest and open conversation is important to us.



Empathy & Respect

We act with empathy, honesty and integrity at all times. The individuals at Accent are what makes us collectively great, we therefore respect one another, and value a culture of diversity and inclusion. And we always look for opportunities to have a positive social and environmental impact in the communities within which we operate.



Never Stop Learning

We drive continuous improvement and innovation. We strive for excellence and are never satisfied - always raising the bar to learning and improving how we do things. We stamp out complacency and have never 'arrived'.



Team & Collaboration

It's about Team! We succeed through the effort and collaboration of our teams, not individual performance.



+1 Brand & Product

We are Brand Ambassadors and demonstrate passion for our brands. We wear our brands and our products every day. We are committed to continuously strengthening our brands and products to improve our competitive position.





This year we re-designed and re-launched our cultural commitments which we call “The Accent Way”.

Our cultural commitments help drive our purpose, values and beliefs. They influence how we interact with each other and how we work together to achieve results.

The Accent Way (6+1) uses the letters in Accent as an acronym for each cultural commitment.

These commitments are not “off the shelf” but rather they are specific to our organisation, to our people and our beliefs.

Each of our Accent Group divisions have adopted these commitments which has ensured a central value set is maintained across the group.

We have brought these cultural commitments to life by incorporating them into our Performance & Development cycle, and our Reward & Recognition program.

The **Accent Way** helps define our organisation’s personality and allows us to stand out. It makes a statement about where we stand as a company and what we believe in. These cultural commitments drive focus and a greater sense of purpose and engagement amongst our people. They reinforce expected behaviours, how we operate, and they influence our everyday decisions.

The Accent Way acts as one of the building blocks of our organisational culture, providing a framework for success and giving us a consistent reference point, even in times of change.

Our Team Engagement Survey is a valuable step towards understanding our team’s experience with our workplace and our culture.



Our annual Engagement Survey is key to enhancing the Accent Group culture.

We have ambitious plans and have made significant progress towards these goals as reflected in the feedback we received from our team members.

Based on the results and team member feedback from the Engagement Survey conducted in the previous year, Accent Group focused on the following areas in our FY23 Team Engagement action plan:

1. CAREER AND DEVELOPMENT

A learning framework was developed and implemented. This included the coordination of several training programs to support capability improvement, team member development and retention of talent. This also included the implementation of the enhanced Accent Performance Development Cycle.

2. REWARD AND RECOGNITION

A program has been formalised to recognise team members for their dedication to the Group. This includes recognition of performance aligned with the Accent Cultural Commitments and service recognition awards to acknowledge tenure of individual team members.

3. COMMUNICATION

The focus here is to create a sense of belonging and connection, and to ensure that Accent Group team members are informed and engaged. The “Accentuate” newsletter was launched and delivered to team members for the first time in FY23. This publication celebrates the Group’s wins, great cultural moments and promotes our education and learning platforms.

This year, in our third Engagement Survey, we are pleased to report that our latest engagement result realised an improvement from last year. This is a testament to the Accent Group team members who have provided feedback and to the action plans undertaken to respond to this feedback.

OUR PEOPLE COME FIRST CONTINUED



REWARD AND RECOGNITION

We value the importance of the tenure of our Accent Group team members. This year we formalised our service awards to recognise team members who have a tenure of 10 years and over.

These recognition service awards have now become part of a quarterly recognition program and form part of our Company's "Town Hall" gatherings. In a group wide forum, team members receive a bespoke framed service award plaque detailing their service, together with an Accent Group jacket that they can proudly wear.

We are currently developing a recognition award for 5-year service, along with awards for team members who exemplify the Accent Group Cultural Commitments. We will implement these awards in the coming year.



Laura Cran – Head of Customer Experience
10 Year Service Award



Kash Wilson – Retail Operations Manager
15 Year Service Award



Carrington Thomas – Warehouse Manager
10 Year Service Award



OUR PEOPLE COME FIRST CONTINUED





HEALTH AND SAFETY

At Accent Group, we are committed to providing a safe working environment and protecting the health and safety of our team members, customers, and visitors.

Our objective is to continuously improve our safety performance across all aspects of health and wellbeing. This is in part achieved through regular monitoring of key safety metrics, and the implementation of risk mitigation strategies to reduce the risk of workplace injury and lost time.

The Accent Safety Steering Group drives safety engagement across the business and includes members from both operational and leadership roles. This group is chaired by the General Manager – People & CX and acts as a conduit between site-based safety teams and management and helps to increase the visibility and escalation of issues.

IMPROVED AUDIT PROCESS

Our dedicated Accent Group Loss Prevention & Safety Managers are charged with managing and driving occupational health and safety risk mitigation strategies and initiatives, such as general safety training, ladder safety, physical and mental first-aid training, and driving cross-functional knowledge sharing.

This team conducted over 500 loss prevention & safety store audits across our network in FY23. This included a follow-up ladder audit to assess the ladders across the wider business to ensure all stores have safe and compliant ladders, and that team members are trained on ladder use and risk identification.

NEW INCIDENT REPORTING PROCESS

This year we rolled out an updated Incident Reporting program across the group. Utilising Zendesk, the new method is considerably easier to use and less administrative. This has encouraged our team members to report incidents (including minor events).

Accent Group Area Managers received training on the new system, and we will continue to monitor compliance across the following year.



HEALTH AND SAFETY CONTINUED

The incident reporting training module was developed in conjunction with the Accent Group Learning & Development team and includes information on:

- > What to report
- > Why we report
- > Compliance around reporting
- > What happens once a report is received

As an outcome, our team now have a greater understanding of what their obligations are regarding incident reporting.

SAFETY TRAINING

Our foundation training program (HR101) is used for all new starters to the Group. The purpose of the program is to ensure team members are educated and kept informed of occupational health and safety risks and responsibilities. The training program covers key topics such as:

- > Ladder safety
- > Manual handling
- > Stress management
- > Slips, trips & falls
- > Violence in the workplace
- > Incident reporting

PERFORMANCE AND PROGRESS

We aim for continuous safety improvement year on year across Accent Group through our training programs, emphasis on reporting and implementation of risk mitigation strategies.

Our Lost Time Injury Frequency Rate (LTIFR) for FY23 was 2.24, which was a decrease from last year's LTIFR of 2.6. This was achieved despite a significant increase in headcount due to new stores.

Total Recordable Injuries (TRI) increased from 101 last year to 122 this year. This increase is also due to the growth of the Accent Group business (more team members) and the improved reporting process put in place during the year.

We will continue to maintain strong governance over our Health and Safety performance through our dedicated Accent Group Loss Prevention and Safety team and with regular reporting to the Group's Audit and Risk Committee.

EMPLOYEE ASSISTANCE PROGRAM

We recognise that the health of our team members extends to both their physical and mental well-being. Accordingly, team members are supported through an Employee Assistance Program and critical incident support mechanisms provided by Benestar.



2.24

LOST TIME
INJURY
FREQUENCY
RATE (LTIFR)

DIVERSITY AND INCLUSION

Accent Group is committed to creating and maintaining a workplace culture that celebrates diversity and embraces inclusivity.



Our community is diverse and so we believe that our workforce should be reflective of this. Our Diversity and Inclusion Policy and Code of Conduct embeds this commitment across the group.

Accent Group fosters an environment of mutual respect, dignity, openness to other cultures and an appreciation of differences. Dimensions of diversity at Accent Group include, but are not limited to, age, gender, race, national or ethnic origin, learning, physical ability, disabilities, religion, language, family/marital status, and sexual orientation.

Education has been key to our on-going commitment to diversity and creating a fair and inclusive environment across Accent Group. In collaboration with headspace, the Platypus team (including support office teams, Store Managers, Area Managers and State Managers), participated in a workshop at the annual Platypus conference. This workshop focused on supporting and educating our Platypus team members on embracing diversity and promoting inclusion. The workshop also had a particular focus on mindfulness and mental health.



At Platypus

As part of our continued support of the LGBTIQ+ community, Platypus launched the “Say it with Pride” campaign during Pride month. This campaign showcased six of our Platypus team members, and helped to amplify the incredibly diverse voices we have within our business. To support this team ahead of the national campaign, Platypus partnered with headspace to host a workshop with the six team members. In the workshop the team members were encouraged to explore their stories, workshop ideas on how to bring them to life and were given strategies on how to handle social media feedback given the exposure of the national campaign.

...” Meet the team behind Platypus Pride!
Our very own store employees from Australia and New Zealand...

For further details see [Get to Know our PRIDE Fam!](https://platypusshoes.com.au) (platypusshoes.com.au)

MEET TEN FROM THE PLATYPUS TEAM

What does PRIDE mean to you?

Pride to me simply just means being true to yourself and not conforming to what society classes as “normal” as well as creating a space around you where others in the community feel comfortable to do so.



Why is it important to share your story in this campaign?

I think it’s important because as a kid and a teenager, I feel like there wasn’t enough realistic representation of the queer community or any that I felt I could relate to at least. We are so lucky to now have the ability to reach wide audiences so easily, especially the younger generation and to show them that being queer doesn’t look like one specific thing, so I think it’s been really special to highlight that through this campaign.

What makes you feel more confident and yourself?

Again it sounds simple but just being around open-minded and accepting individuals makes me feel the most confident and myself because I can do exactly that, be myself without fear of judgment.

During the Year to support headspace in Australia and Youth Line in New Zealand with the work these organisations do with young people, the profits from the Platypus Christmas gift bag was donated to these charities. Sitting alongside this campaign was the Puma CA Pro Pride shoe, exclusive to Platypus stores. Platypus partnered with Puma to donate \$10 from each pair sold in Australia to qheadspace. qheadspace is part of the headspace community that works to connect and support young people who identify as LGBTIQ+ or who are questioning.

To further support the Platypus senior leadership team, all Platypus heads of departments and state management team members undertook a training session with Minus 18. This session focused on building a safe and inclusive work environment for colleagues and customers. It provided practical tools to support LGBTIQ+ people within our teams and our consumers. All the profits from this training went directly to LGBTQIA+ youth through the Minus 18 program.

DIVERSITY AND INCLUSION CONTINUED

At Platypus

The “Behind the Door” activation is showcased in Platypus stores which have an apparel department. This initiative involves Platypus commissioning up-and-coming young artists to take over a space in-store to create a world through their eyes.

With eight Platypus stores participating, we are proud to have showcased 19 emerging and diverse artists.

MEET MADI - SOUTHLAND ARTIST - BEHIND THE DOOR

Ghostgum – aka Madi Mercer – is a proud Wadawurrung woman that lives and creates on Wurundjeri Country, in Naarm (Melbourne). She grew up with her family on Boonwurrung, Wurundjeri, Wiradjuri, Gadigal and Wadawurrung Countries, and has been settled in Naarm since beginning her Graphic Design degree at University of Melbourne. Her works are an extension and expression of her cultural identity, and a representation of the world she experiences. Using colours that the layers of the land offer her, she captures what she sees, feels, hears, and knows while being present on our Country. Her works aim to highlight the importance of respecting, acknowledging, and locking Black land. Madi invites us to invest in a personal relationship with all aspects of the beautiful Country we reside upon. Madi asks us to challenge the perception of ‘reality’ that the colonial system has instructed us to believe, and consider that the knowledge we weave into our belief structures should be based in, and reflected by our natural surroundings, and the relationships we have with them. “Life is always deeper and more complex than what we can see”.

See Madi’s work in our Southland Melbourne Platypus store.



At Stylerunner

Stylerunner campaigns empower our customers to feel confident and active, every day. We ensure our marketing campaigns are inclusive and promote the essence of being bold, fresh and confident.



At Hype DC

The Hype DC team is at the forefront of street culture and global trends. Whether working in our stores or support office, our team is passionate about the products we sell and have an encyclopaedic knowledge of our products. We celebrate sneaker culture at every opportunity and are always excited to educate and engage with customers both in-store and online. We embrace each other with respect and welcome people, irrespective of culture, faith, sexual orientation, and gender identity.



DIVERSITY AND INCLUSION CONTINUED



GENDER EQUALITY

Accent Group is focused on promoting and improving gender equality in the workplace. Our Diversity and Inclusion Policy includes a requirement for the People and Remuneration Committee to recommend to the Board measurable objectives for diversity on an annual basis. It also includes a requirement to assess the Group’s progress towards achieving them. The following table sets out the Group’s agreed targets set down on the 18th of August 2021.

Measurable objectives	Target %	Target date	% Female Representation		
			FY22	FY23	
Improve representation of women in leadership positions	Board	30%	30 June 2024	14%	14%
	Senior executives	To increase the percentage of female to male senior executives		59%	54%
Improve representation of women in balance of workforce	Total employees	To report annually on the movement in the % of females to males which currently sits above 50% for the balance of the workforce, with further objectives set as required to ensure a broad community representative balance of females and males		65%	65%

As part of our commitment to a diverse and inclusive workforce and confirmation of the progress we are making towards gender equality, Accent Group completes the annual Workplace Gender Equality Agency (WGEA) report on the 31st of March each year. The current breakdown of gender representation in the Group, as at the 31st of March 2023 as reported in accordance with the *Workplace Gender Equality Act 2012*, is as follows:

FY22	Total number	% of women	% of men	FY23	Total number	% of women	% of men
Board	7	14%	86%	Board	7	14%	86%
Senior managers*	91	59%	41%	Senior managers*	97	54%	46%
Other managers	711	69%	31%	Other managers	790	70%	30%
Other employees	5,775	64%	36%	Other employees	6,466	65%	35%
Total	6,584	65%	35%	Total	7,360	65%	35%

* Senior managers are those individuals who collectively participate in determining and implementing major operational and strategic initiatives at the business unit level and who are responsible for the results of their respective business units.

** The implementation of Ceridian Dayforce has allowed Accent Group to expand the gender classification in late FY22.

These activations were lead by the Accent Group Stamp your Feet initiative.



International Womens Day

To celebrate International Women’s Day (8th of March 2023), Accent Group asked team members across our store network and support offices to nominate a woman who they believed embodied “The Accent Way” cultural values. They were also asked to write a few words about each nomination.

The response from our team members was overwhelming with over 70 women across the group nominated. To recognise each nomination, and show our gratitude, a feature video was created and showcased on screens across our support centers. It was wonderful to see women of all positions being nominated, from General Managers to Store Casuals across all brands in the company.



Hype DC - Created by Us Campaign

“Created by Us” was launched in line with International Women’s Day, celebrating our collective effort to advance gender equality and elevate women’s voices – both in front of and behind the camera. Collaborating with a cast of inspiring women and our incredible team behind-the-scenes, we hope to empower a new generation of young women and champion a culture of equality.



International Mens Health Week

National Men’s Health week (celebrated in the week commencing 13 June 2023), provides Accent Group with an opportunity to highlight the importance of men’s health and to promote overall well-being.

We believe it is important to recognise that men’s health is not only physical but also mental health and emotional well-being. The theme this year was to build healthy environments for men in the workplace and social settings.

This year we created a push-up challenge and were pleased (but not surprised) that our warehouse team were the winners, with over 20,000 push-ups achieved in a team of five people!!

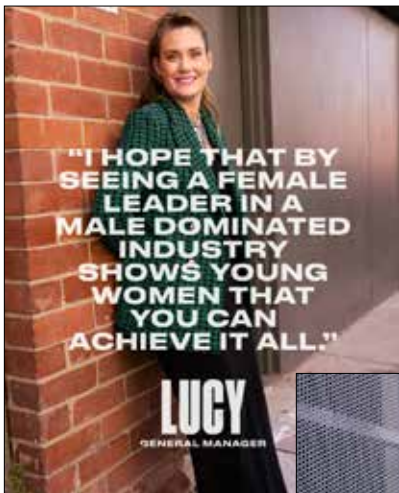


DIVERSITY AND INCLUSION CONTINUED

International Women’s Day at Platypus



Please visit our Blog post for more details: International Women's Day - [Meet the Platypus Leadership Team!](https://platypusshoes.com.au) (platypusshoes.com.au)



TRAINING AND DEVELOPMENT

INVESTMENT IN OUR PEOPLE MANAGEMENT SYSTEMS

This year we continued with our implementation program of Ceridian Dayforce. This included the full introduction of the Dayforce Learning solution and the Performance module which has allowed Accent Group to better streamline and digitalise the learning and development program across the business.

Dayforce Learning is an integrated online training and development platform, that provides a user-friendly platform for our brands, team members and shared services to deliver functional and educational content to the group. A range of content is made available from interactive modules to video tutorials, PDF documents and PowerPoint presentations.

With the introduction of these modules, Ceridian Dayforce is now supporting, and positively influencing, all elements of the employee life cycle and provides an improved experience to our team members.

Training Programs

A commitment to the ongoing training and development of our team members is critical to our success and sustainability as an organisation. Our objective is to provide training and development opportunities to support and improve our ability to continually attract, grow, retain, and support our team members.

1. FOUNDATION TRAINING MODULES

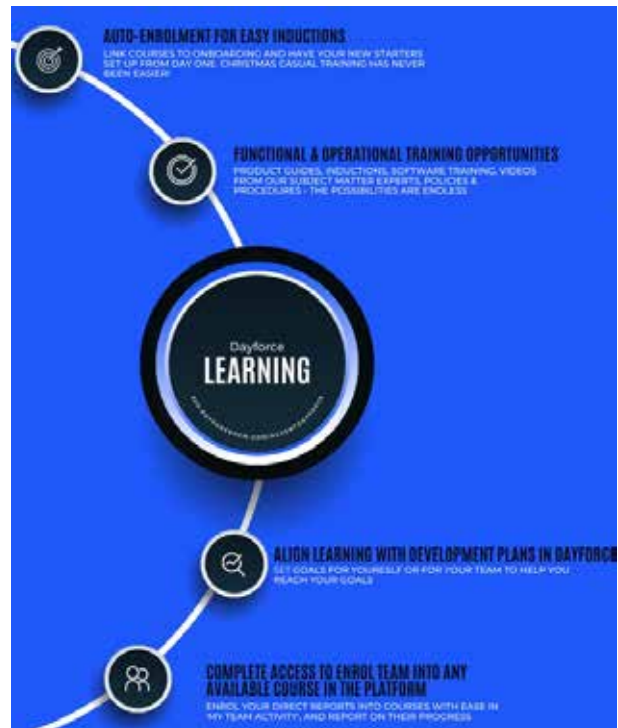
We have continued to make significant progress on the content development of our training modules, designed to create awareness and education in the areas of workplace safety, compliance, and legislative requirements. These are digitally integrated into our online learning management system and cover:

- Bullying & Sexual Harassment framework
- Safety
- Customer Aggression

2. THE STRIDE PROGRAM

This program was delivered to 140 Area Managers in FY23, through an intensive 4-day immersive program.

Stride centres around developing leadership capability for our Area Leaders who drive and support a significant component of our business, being our retail stores. Stride sessions aim to drive a high-performance culture, by developing the skill set, and providing the toolkits needed, to be successful in a retail leadership role at Accent Group.



The program further supports important people initiatives such as succession planning, increasing team retention and ensuring that our workplace culture is amplified, particularly in helping motivate our casual workforce.

3. AG UNI

Over 900 team members participated in the Accent Group (AG) Uni program in FY23. A government supported initiative, Accent Group has partnered with a Registered Training Organisation to deliver nationally approved training programs for employees seeking training and accreditation in retail. AG Uni provides team members the opportunity to gain a nationally recognised certificate, while helping to develop formal technical and behavioural competencies.

Largely aimed at our Assistant Store Managers, Store Managers and Customer Experience team members, our participants have to date enrolled in the following:

- Certificate 3 in Retail
- Certificate 4 in Retail Management
- Certificate 3 in Business and
- Diploma in Leadership & Management

This program has proved successful in succession planning and helping to effectively highlight career pathways for our Retail and Customer Experience teams. This training is coordinated via on-the-job training together with face-to-face classroom-based learning.



TRAINING AND DEVELOPMENT CONTINUED

“Our People” Commitments

- FY23 - Improve our health and safety performance and undertake a ladder audit - completed
- **FY24 - Improve health and safety performance through the integration of the state-based Loss Prevention and Safety Managers**
- FY23 - Extend mental health training to our Area, State and National Team Leaders - complete for Victorian based team members
- **FY24 - We will expand our mental health training more broadly across the Group with training across the other States and New Zealand**
- FY23 - Selection and recruitment training to be delivered to all hiring managers with a focus on cultural diversity and non-binary approach to selecting the best person for the role - completed
- **FY24 - Continue to ensure the consistent delivery of training and initiatives to ensure we deliver our commitment to creating a fair and inclusive environment across Accent Group**
- FY23 - Cascade the Accent Group Cultural values and support team member engagement through training programs and reward and recognition opportunities - completed
- **FY24 - Integrate the Performance & Development Cycle across the Group and improve completion rates**



OUR RESPONSIBILITIES - WE ACT WITH INTEGRITY

MODERN SLAVERY

Accent Group is committed to operating responsibly and ensuring that no one involved in our operations (including employees, customers, and community members) is subjected to exploitation in the workplace and therefore cannot refuse or leave work because of threats, violence, coercion, abuse of power or deception. We recognise that our supply chain is not immune from modern slavery practices. In response, we have continued to integrate our framework for engaging with our suppliers to identify and manage the risks of these practices from occurring.

We submit our annual Modern Slavery Statement to Australian Border Force. Our statement details Accent Group's commitment to maintaining policies and procedures to operate responsibly and to manage modern slavery risks in our operations and throughout our supply chain. A copy is available from our website (www.accentgr.com.au/investor/investor-information).

Accent Group's Audit and Risk Committee has delegated responsibility from the Board for monitoring the Group's risk management framework and to ensure that the Company's responsibilities and obligations regarding modern slavery are managed.

ETHICAL SOURCING

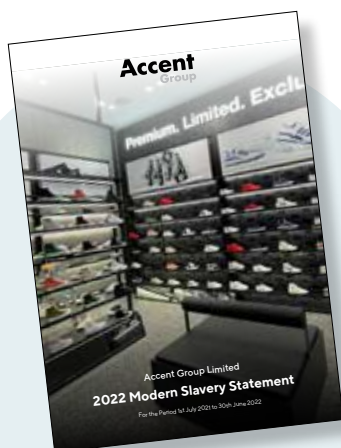
Doing the right thing and sourcing our products through an ethical supply chain is important to Accent Group. Over the last year, we have worked with external resources to undertake an independent review of the Accent Group Ethical Sourcing Policy, ensuring our Policy aligns to our own increased expectations, while also adhering to changing global standards and our customers' expectations.

Throughout FY24 we will share our updated Ethical Sourcing Policy with our suppliers and Brand partners across the Group. This will require our Accent owned brands suppliers to return to us a signed copy of the Policy as a commitment to adhere to our expectations.

The Accent Group Ethical Sourcing Policy is guided by international standards and guidelines. Our Policy has four key expectations that Accent Group suppliers must adhere to including:

- **Business Integrity and Ethics:**
Suppliers must comply with all relevant laws and regulations and to operate in an ethical manner.
- **Labour Standards and Human Rights:**
Suppliers & Factories must ensure worker rights are protected. Workers must be presented with the freedom to choose their employment and receive fair and legal remuneration for all work performed. We also expect that child labour, discrimination and harsh or inhumane treatment of workers be prohibited at all times.
- **Healthy and Safe Working Conditions:**
All workplaces and operations are safe, occupational hazards are minimised through emergency preparedness, training and machinery safeguards are in place.
- **Environmental Protection:**
Suppliers and Factories ensure they continue to implement all efforts to reduce their environmental impact and improve their performance over time.

Our Ethical Sourcing Policy can be viewed at www.accentgr.com.au/investor/investor-information.



OUR RESPONSIBILITIES - WE ACT WITH INTEGRITY CONTINUED

OUR SUPPLY CHAIN

The primary operations of our business remain in the retailing and wholesaling of merchandise. Our sourcing involves the acquisition of finished goods (merchandise) from trade suppliers as well as the design and direct production of merchandise for Accent Group owned brands from agents and factories. Our growth through opening new stores and online retailing has not significantly altered the range of non-trade goods and services that are sourced to support our operations.

Supply chain segment	Category	Description
Trade suppliers – merchandise for sale and distribution	Supplier sourced distributed and/ or exclusive brands	Footwear and apparel merchandise that we source for direct retail and wholesale, e.g., Skechers, Vans, Dr Martens.
	Supplier sourced third party brands	Footwear and apparel merchandise that we source solely for direct retail e.g., Nike, Adidas.
	Accent owned brands	Merchandise across footwear, apparel and accessories designed and directly produced for Accent Group owned brands that we source from third party agents and factories for direct retail and wholesale e.g., Platypus- branded socks, Nude Lucy, Stylerunner the Label and brands under Glue Stores such as First Mse and Article One.
Non-trade suppliers – goods and services not for resale	Logistics and warehousing	Freight and warehousing services used to transport purchased goods to our warehouses, store goods prior to sale and transport sold goods to customers.
	Leasing and store development	Leasing of retail stores from landlords as well as store design and fit out.
	IT services	IT hardware and software used in retail stores and websites, and in the retail support services.
	Marketing	Advertising and marketing services and products, including printing.
	Corporate services	Professional services, corporate office operational services, employee recruitment, and banking.
	Store operations	Store operations such as electricity, cleaning, security and repairs and maintenance, and store consumables

RISKS IN OUR SUPPLY CHAIN

We acknowledge there are risks of modern slavery in our supply chain. The nature of our industry however means our supply chains are complex, multi-tiered and global, and as a result it is difficult to have clear visibility of where these risks lie. We are also a relatively small player in the global apparel and footwear sector so our leverage of, or ability to influence, third parties is not significant. That said, we have taken steps to improve the quality of our supplier data and to utilise this to undertake a more comprehensive inherent risk assessment so that we can be more targeted in our due diligence activities.

Within the footwear and apparel sector, the risks of modern slavery exist within the full value chain, ranging from the harvesting and processing of certain commodities (e.g. forced labour in the cotton and leather supply chains) to the manufacturing process itself (e.g. exploitative conditions and forced labour in production factories). Within our retailing business, there are also modern slavery risks within new store development (e.g. construction materials) and operations (e.g. cleaning and security). Typically, any activities requiring lower skilled and high labour-intensive work that tend to attract more vulnerable workers are therefore sources of modern slavery risk. These areas continue to be our focus.

OUR RESPONSIBILITIES - WE ACT WITH INTEGRITY CONTINUED

INHERENT MODERN SLAVERY RISKS FOR ACCENT GROUP OWNED BRANDS

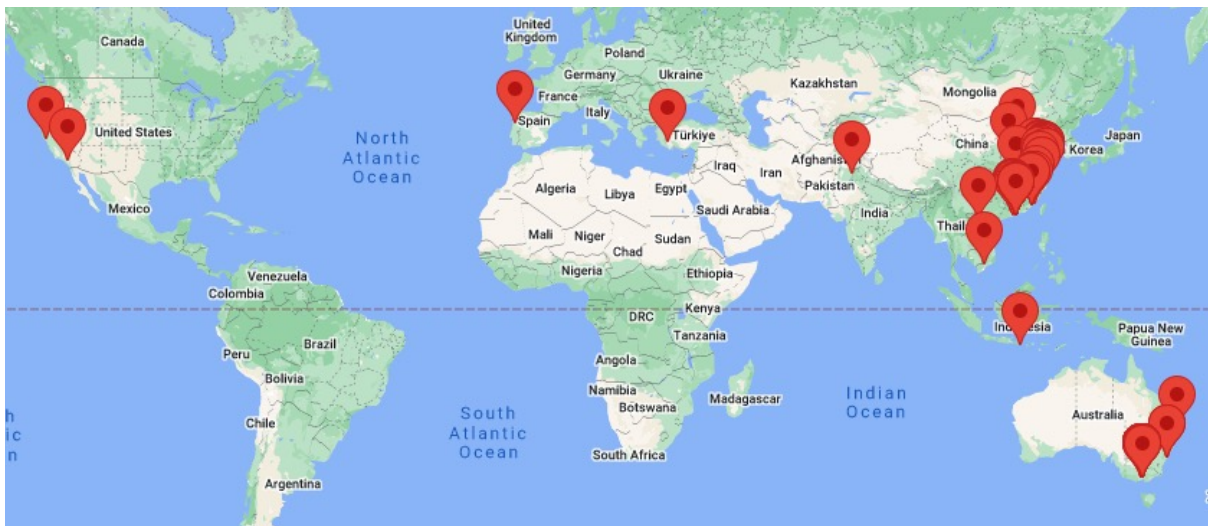
We have greater leverage and access to information when sourcing Accent Group owned brands. For this reason, we have and will continue to focus on this area because we can have a greater impact.

We are also committed to understanding the risks within this category as it constitutes a strategic priority for the business as we plan for continued growth. Ensuring we implement a strong risk assessment and due diligence processes is therefore critical.

Key Outtakes as at the end of FY23 for Accent Own Branded Suppliers:

- We have **45 approved suppliers** who have passed through the Accent on-boarding process
- Of these suppliers, we work across **62 approved factories**; of which **92%** are in China
- **75% of factories are Tier 1** (Cut, Measure and Trim) **and all these** factories have submitted a social compliance audit

Location of the Factories Used Across Accent Group Owned Brands



ONBOARDING

Across our operations, Accent Group owned brands continue to utilise a bespoke onboarding process for new suppliers and manufacturing facilities. Our onboarding process requires a formal and staged approval process that includes an assessment of the suppliers' suitability to manufacture or supply products to Accent Group. Once an assessment is completed to our satisfaction, the relevant General Manager must approve the onboarding request before moving forward.

Prior to onboarding, suppliers must sign and return a copy of the **Accent Group Ethical Sourcing Policy** and demonstrate that an independent, valid social compliance audit has been completed (which must be current within the last 12 months). Once received, the social compliance audit is assessed internally.

In addition to the Accent Group Ethical Sourcing Policy, we also ensure suppliers receive a copy of our **'Manufacturing Agreement'** which sets out the terms and expectations which our suppliers must agree to in order to manufacture and supply products to Accent Group, including full compliance with our Ethical Sourcing Policy.

The Manufacturing Agreement applies to all suppliers of Accent Group owned brands and is expected to be signed and returned to us by all such suppliers to Accent Group.



OUR RESPONSIBILITIES - WE ACT WITH INTEGRITY CONTINUED

OUR SUPPLY CHAIN

Over the last 18 months, we have continued to gain a better understanding of our end-to-end supply chain. This included implementing a **software platform called Our Supply Chain (OSC)** which enables us to record and manage information from Accent Group suppliers, factories and sub-contractors in greater detail.

A key feature within OSC is the ability to record and measure our level of traceability across all stages of production. The system enables us to store supplier and factory information including social compliance audit reports, corrective action plans (**CAPs**), certifications, sustainability and environmental attributes and chain of custody requirements.

Internally, our teams have received periodic training on the use of the OSC platform and additional training on social compliance including how to read different audit documentation and enter that data into OSC.

We know our journey is not finished and we have more work to do. As we continue to learn, we are utilizing OSC to help us identify our traceability gaps across different tiers of manufacture or stages of production within our entire supply chain.

For further information on the OSC platform visit www.oscdata.com.

CORRECTIVE ACTION PLANS

Over the last year, our focus has been on assessing our factories' social compliance audit reports and working through their corrective action plans to ensure findings identified in the audits have been actioned and closed in a timely manner. The most common issues identified across our corrective action plans have been working hours, machinery guards and safety signage.

The work we have undertaken with factory audits has also led to strengthening the level of traceability we have across our entire supply chain. The analysis of the factory audit has also been an important step in assessing a suppliers overall social and ethical performance and serves as a clear reminder that we at Accent Group take our social responsibility seriously.

TRAINING

We recognise the value and importance of training our teams in this area. We have conducted refresher training on modern slavery across the Group and also conducted focused training on ethical sourcing to our key buying and sourcing teams across the Accent Group businesses.

The training program focused on aspects of "Responsible Sourcing" and how our purchasing behaviors can and do drive labour rights improvements across our end-to-end supply chain.

The training was conducted by an industry expert and was delivered to all levels of operations including our Brand Managers who are the custodians of the relationships with our key global distribution brand partners.

GLOBAL BRAND PARTNERS

We acknowledge our responsibility also exists with our distributed or exclusive brands and will continue to work with these brands directly to ensure their sourcing frameworks align to our expectations.

This year, our Brand Managers, who own the relationships with our global brand partners, have formed relationships with their respective brand's Ethical Sourcing or Compliance Managers. In doing so, we have begun to collate key documentation from our brand partners such as:

- Ethical Sourcing Policy or Statement
- Cotton Sourcing Policy or Statement on Cotton Sourcing
- Animal Welfare Policy
- Restrictive Substances List
- Supplier Code of Conduct
- Carbon Emissions statement
- Packaging Policy

OUR RESPONSIBILITIES - WE ACT WITH INTEGRITY CONTINUED



- Supplier Information
- Audit Management
- Corrective Action Plans
- Follow Up Tasks
- Factory Information
- Supply Chain Reporting
- Supplier/Factory Relationships
- Collaboration
- Sustainability



“Our Responsibilities” Commitments

- FY23 - Continue to educate our team members through a series of training programs. We will dive deeper into traceability training for our Accent Owned brands teams - completed
- **FY24 - Training and education for our team members will continue to remain a focus in FY24 and is scheduled biannually or more frequently if required.**
- FY23 - Ensure all suppliers have a valid social compliance audit and updated corrective action plan - completed
- **FY24 - We will seek to work more closely with our suppliers on Corrective Action Plans.**
- FY23 - Reach beyond Tier 1 and 2 supplier engagement for suppliers of Accent Owned brands - partly completed
- **FY24 - Continue to work on supplier engagement beyond Tier 1 and 2**
- FY23 - Continue to engage with our brand partners and key suppliers across our supply chain to better understand their activities to support ethical sourcing - partly completed and will continue to remain a focus in FY24
- **FY24 - Ensure we engage with our key distribution partners and collate their respective ESG policy documents for review and uploading to the OSC system**

COMMUNITY PARTNERSHIPS

Last year, Accent Group launched “**Stamp your Feet**”, an Accent Group initiative created to support key charities, community groups and help raise funds and build awareness of important social issues in the communities in which we operate.

With the growing need for mental health support, Accent Group is now in its second year of partnership with headspace in Australia and Youthline in New Zealand. These are not-for-profit organisations focused on raising awareness and supporting young people who suffer from mental ill health. The mental health of the Accent community, its team members, customers, and all individuals the company interact with is of utmost importance. Through ‘Stamp Your Feet’, Accent Group contributes financially to these charities, as well as integrating initiatives throughout our business, such as training for key team members.

Accent Group has committed a total of \$450,000 over a three-year period starting from 2021, to support these selected mental health charities across Australia and New Zealand

Accent Group Proudly Supports

headspace (AU)

Accent Group has partnered with headspace AU. headspace is a mental health service that provides a range of services to the youth of Australia. This partnership consists of Accent Group donating \$100,000 a year for 3 years and includes Supportive Conversation Training, mentorship programs and the creation of a digital series of training programs.



Youthline (NZ)

Accent Group NZ has partnered with Youthline. Youthline is the largest youth service for mental health and safety in New Zealand. Accent Group has committed to donating \$50,000 a year for 3 years to Youthline NZ. Youthline NZ will also run Mental Health Awareness Training for the Accent Team.



Accent NZ Team Members at a Youthline workshop

WORKPLACE GIVING

The mental health of our Accent community, our team members, customers, and all individuals we interact with is of utmost importance to us.

We have therefore also set up a Stamp Your Feet Workplace Giving Program for our team members. The opt-in program provides the opportunity for team members to donate to headspace in Australia and Youthline in NZ via their pay.

FY23 saw our first donation back to headspace and Youthline from the Workplace Giving Program fund. Whilst still in the early stages, we will continue to grow this initiative across the Group with the intention to add a variety of charities to the program.

COMMUNITY PARTNERSHIPS CONTINUED

Mental Health Training

This year we have collaborated with headspace and Youthline to deliver mental health training for our leaders with a focus on “supportive conversations”. These sessions were launched in August 2022 and has allowed us to upskill just over 100 team members including Business Heads, National Leaders, State Managers and Area Managers – with particular focus on our store-based teams.

The sessions were run by clinical psychologists from headspace and Youthline with an Accent Group People and Culture representative in each session to further support our team members. The training was also tailored to align to the Accent Group Cultural Commitments.

We see this as a key opportunity to upskill our leadership teams with an important skill of detecting mental ill health or concerns within our teams.

➔ Accent Group recognises the importance of World Mental Health Day



Mental ill health is a growing problem all over the world. Accent Group recognises both the importance of self-care in mental health and wellbeing, as well as understanding how to support others.

World Mental Health Day, which was celebrated on the 10th of October 2022, promoted a simple message – “Look after your mental health”.

Within Accent Group, Stamp Your Feet drove the initiative to celebrate this day by encouraging our team members to wear green. The response from our team was overwhelming and a live stream of photos were submitted across the Group to showcase widespread support for headspace and Youthline.



COMMUNITY PARTNERSHIPS CONTINUED

Ovarian Cancer Research Foundation



With over 7,500 people employed at Accent Group through our support centres and store network in Australia and New Zealand, we aim to raise funds, positively influence attitudes, and support multiple charities through the Stamp Your Feet initiative.

A cause we have a special affinity with is the Ovarian Cancer Research Foundation (OCRF) activation supporting “Blow a Kiss For Her” and White Shirt Day.

World Ovarian Cancer Awareness Day was celebrated on the 8th of May 2023 at Accent Group. On this day we united as a team in partnership with Stamp Your Feet, to raise awareness for ovarian cancer. Sadly, our Accent Group community is all too familiar with the devastating impacts of this disease as we lost one of our own team members just over a year ago. This year, we supported this initiative by asking our support office & retail store teams to wear a white shirt and to honour the late Charmaine Suter and the “Blow A Kiss For Her” fundraising site she created in collaboration with OCRF. All proceeds raised on this day were donated to OCRF on Charmaine’s activation site. This year, Accent Group was fortunate to have Dr Amy Wilson, join us as a guest speaker from the Hudson Institute of Medical Research and talk to us about early detection and how research and treatments are progressing for this disease.



R U OK Day

The Accent Group team supported R U OK Day on the 14th of September 2022. On this day we were reminded to ask the question “Are you OK?” and start a meaningful conversation if and when someone may be struggling.

This year we invited support centre teams and our retail teams to wear yellow and to take some time to ask their peers how they were – R U OK?

Our support centres were invited to do this over a coffee and cake, to take time away from their desks, put their phones away, and speak to their peers.

THE REACH OF OUR BRANDS

Our community engagement also extends across our key brands in Accent Group. Here are a selection of initiatives that have landed this year.



The Athletes Foot



The Athlete's Foot has been a proud partner of parkrun across both Australia and New Zealand for the past five years. **Parkrun** is a series of free, weekly, timed events. There are runs suitable for adults as well as junior parkruns suitable for children aged 14 years and over. As part of the partnership, The Athlete's Foot contributes to supporting the community by encouraging people to keep healthy, fit and active through the weekly parkrun events that are easily accessible.

The Athlete's Foot we are incredibly proud to partner with **NETFIT** Netball, a global netball community that provides fitness sessions and workshops to netballers of all ages, backgrounds and capabilities. Alongside the NETFIT team, The Athlete's Foot helps deliver NETFIT clinics across Australia & New Zealand to support local netballers by providing access to information, training and advice on achieving sporting goals.

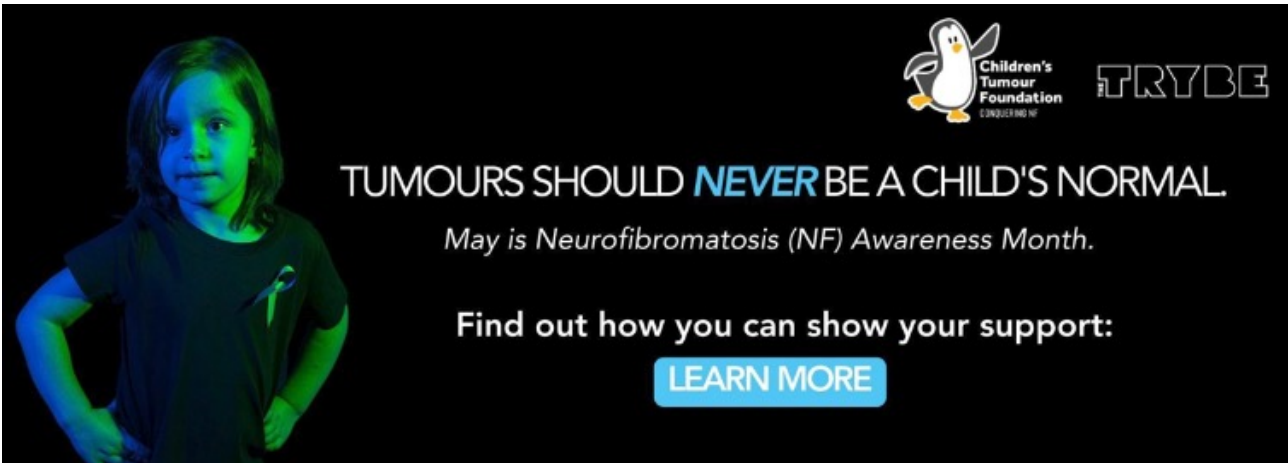


Local Schools Program

In its 3rd year, the Athlete's Foot school rewards program donates \$5 from each shoe sale back to registered schools. This program is key to the commitment that The Athlete's Foot team has to empowering children by supporting their growth and education.



THE REACH OF OUR BRANDS CONTINUED



The Trybe

The Trybe has proudly partnered with the Children's Tumour Foundation (CTF) for the second year in a row to help raise much needed awareness and funds for Neurofibromatosis.

Neurofibromatosis (NF) refers to a group of rare and complex genetic conditions that cause tumours to form in the body and can lead to a range of significant health issues such as deafness, blindness, physical differences, bone abnormalities, learning difficulties, chronic pain and in some cases, cancer.

The donation from The Trybe goes towards supporting CTF's connectivity and educational programs, including funding community days and educational resources within pediatric hospitals across Australia.

Vans

The Accent Group VANS team has continued its relationship with "Build-Up Skateboarding" in facilitating skateboard workshops and demonstrations across the Northern Territory and Western Australia.

The schedule this year has grown to 50 remote and regional communities and has touched over 3000 young people.

The workshops offer children in these communities an opportunity to build confidence, creativity, and perseverance through healthy risk-taking choices.

The team works alongside community members to ensure an appropriate program is delivered with local staff and young leaders trained in facilitating a fun and safe environment.

The workshops consisted of helping build ramps, setting up skateboards and learning the basics of skateboarding from VANS sponsored athletes.



THE REACH OF OUR BRANDS CONTINUED

VANS and BUILD-UP PASS~PORT remote community work

THE CHRISTMAS ISLAND ACTIVATION

Christmas Island is an Australian territory in the Indian Ocean, lying south of Java, Indonesia.

The aim of the activation was to spend three days conducting workshops with local children at their school and local skateparks. Over the course of the three days, the team saw many eager participants go from learning to roll their skateboard to “dropping in” on the local mini ramp. VANS and Build up PASS~PORT provided the necessities to get started and the excitement of the kids was amazing to see.





THE REACH OF OUR BRANDS CONTINUED

Dr Martens



Dr. Martens continues to give back to a community that has championed and supported the brand for decades. As well as supporting LGBTIQ+ charities across the globe, Dr. Martens Australia

continues to donate to Black Rainbow in Australia. Black Rainbow is an Aboriginal and Torres Strait Islander Lesbian, Gay, Bisexual, Transgender, Intersex, Queer, Sistergirl and Brotherboy non-profit organisation fully owned and operated by Indigenous people. Originally focused on suicide prevention, its remit has expanded to include, but is not limited to, homelessness, escaping domestic violence, support with the justice system, mental health, and living with HIV.



Platypus New Zealand

Platypus Partnered with Flava FM radio on a program called 'Kicks for Kids'.

In April 2023, over the school holidays, Flava wanted to help the local communities of Aotearoa NZ and so they reached out to the Platypus NZ team.

(Aotearoa is the contemporary Māori-language name for New Zealand)

Approximately one in nine children in Aotearoa NZ suffer from material poverty, so the Platypus team offered to get the children new kicks!

Starting with a story arc during the breakfast show, the radio announcers partnered with Platypus to do good in the community.

Key to the activation was to start the conversation on where help was needed and allow the audience to understand where they could give back and do good for their respective communities.

Platypus donated Vans shoes to the team at Flava who then delivered these to children across local schools.

Hoka

Hoka Australia was proud to donate and support Port Adelaide football legend and media personality Kane Cornes in his super ultra-marathon, called *Kane's Run*.

Kane ran more than 60 kilometres a day to raise money and awareness for the My Room Children's Cancer Charity.



Starting in his hometown of Adelaide, Kane ran for 12 consecutive days. He finished the run at Channel 9's Docklands studios in Melbourne and appeared LIVE on the night of *The Footy Show Grand Final: My Room Telethon*.

Kane geared up for the challenge of his life as he set out to run 725 blistering kilometres from Adelaide to Melbourne.

Kane was an instant fan of the Hoka brand with the shoes being his choice in footwear to get him through the milestone run.



DATA SECURITY

At Accent Group, we place a high value on the security of our digital, cyber and data operations. We recognise our responsibility towards safeguarding the privacy and security of the data we collect from our customers and stakeholders, and our Information Technology Security Policy emphasises the fair, lawful, and transparent use of personal information for specific purposes. Therefore, we consider data security as a critical aspect of our sustainable business practices. Over the last few years, we have made significant investments in continuing to enhance our data security measures.

The Accent Digital Strategy Group (**DSG**) is responsible for identifying and managing risks related to data security. It regularly reports to the Audit and Risk Committee and/or the Board. The DSG ensures that appropriate investments and systems are in place to protect our company from increasingly complex cyber-attacks. We adopt a multi-layered approach to cybersecurity, employing multiple components to secure our essential systems and customer data. Additionally, we engage third-party cybersecurity agencies to provide guidance, security testing, and vulnerability management to strengthen our cybersecurity measures further.

To support our commitment to cybersecurity, we have taken several initiatives this year. We deployed regular cybersecurity awareness training for our support office team members, who were enrolled in automated anti-phishing training. This training enhanced their knowledge around cybersecurity best practice.

To protect cardholder data wherever it is processed, stored, or transmitted, our card payment processing channels undergo an annual assessment against the Payment Card Industry Data Security Standard. Our external audit advisors have conducted an audit of our security protocols, demonstrating continued improvements in Accent Group's data security and governance. We are encouraged by these results and will continue to refine our plans to address potential issues and enhance our processes and governance continually.

In addition to these initiatives, we have implemented several measures to improve our cybersecurity. We have extended our Multi-Factor Authentication footprint to combat phishing and social engineering attacks, which are becoming increasingly common. We have developed and regularly review Disaster Recovery Playbooks, which enable us to respond swiftly and effectively to cyber threats. We conduct desktop exercises to simulate potential cyber-attacks and test our readiness to respond. We regularly review and update our security policies and procedures to ensure they are up-to-date and relevant to the evolving cybersecurity landscape.

At Accent Group, we are committed to enhancing our data security measures to ensure the privacy and security of the data we collect from our customers and stakeholders. Our continued investment in cybersecurity measures, regular security awareness training, and external audits demonstrate our ongoing efforts to strengthen our security protocols and improve our governance processes. We will continue to refine our plans and address potential issues proactively to safeguard our data and protect our stakeholders.



ENVIRONMENT

Accent Group is committed to managing and reducing the impact we have on the environment. We recognise our corporate responsibility for driving initiatives that divert waste from landfill through recycling or repurposing waste. We have identified three key areas of focus under our environmental framework that we believe have the greatest impact on our environmental footprint. These are: reduce and reuse resources, promote sustainable product ranges and prepare for climate related financial disclosures

REDUCE AND RECYCLE RESOURCES

Accent Group is a member of the Australian Packaging Covenant (**APCO**). Through our association with APCO we have implemented initiatives to reduce the impact on the environment through recycling, product stewardship and sustainable packaging design.



We have aligned our packaging framework to the five APCO Sustainability criteria.

Key Requirements	Accent Group's Approach
Governance and Strategy (Score: Best Practice)	Accent Group has an APCO strategy document aligned to 2025 Packaging Targets Accent Group has adopted a set of Packaging Guidelines Accent Group has a recycling training program which has been executed across the store network
Design & Procurement (Score: Leading)	We continue to complete "Sustainable Product Guidelines" (SPGs) on key products We continue to optimise our packaging using recycled materials and include disposal labelling instructions where possible
Recycled Content (Score: Leading)	Recycled content is used in primary (eg shoe box), secondary (outer box) and tertiary packaging (pallets, strapping)
Recoverability (Score: Advanced)	We have increased the percentage of packaging that is recoverable at end of life, we have used less "mixed" materials and continue to promote packaging that is reusable
Disposal Labelling (Score: Advanced)	We have increased customer facing instructions on how to correctly dispose of our packaging; especially our store and ecommerce bags. We will also continue to collaborate with our global distribution partners to influence improved disposal labelling across their respective ranges.
On-Site Waste (Score: Leading)	Our support centres have on-site waste recycling for cardboard, paper and co-mingled waste. Where possible we recycle our faulty shoes and offer solutions for customers to recycle shoes that are end-of-life through the Australian Sporting Goods Association recycling scheme
Problematic Materials (Score: Best Practice)	We have moved away from the use of light weight plastic shopping bags and continue to minimise its use through the supply chain along with polystyrene, PVC packaging and rigid plastic



Shopping Bags

This year we have continued to improve our store shopping bags to ensure we specify a greater use of recyclable materials that are fit for purpose.

A focus across the Group was to work on store bags that used “mixed” materials such as a paper bag with a cotton handle or a plastic bag with a rope handle. We have transitioned these bags to either using the same material across all components of the bag or the use of “tear aways” that allows the consumer to easily separate the materials for recycling.

Our paper bags are 100% recyclable and made of a minimum of 60% recycled content. Where possible, our paper is sourced from Forest Stewardship Council (FSC) endorsed suppliers who are committed to responsible management of forests and who provide certification and chain of custody.

We have transitioned our plastic bags to have a minimum of 80% recycled plastic content and we will continue to communicate to customers that these can be reused and then recycled.

At Accent Group we have eliminated single use plastics in our shopping bags. We have also moved our bags in Western Australia to comply with the new State based legislation on plastics for all our retail brands.

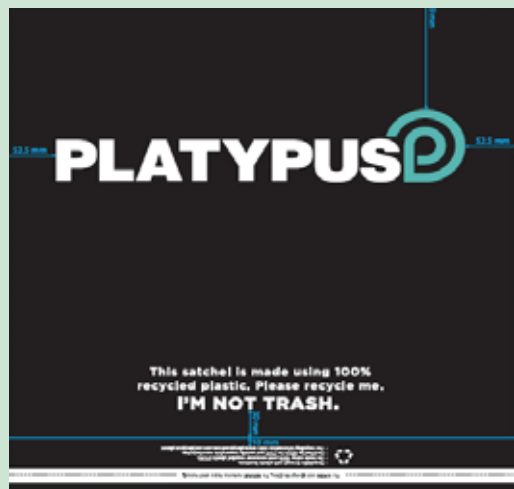
We have also worked to improve the customer messaging on our bags. Our non-woven polypropylene (e.g. Platypus, Skechers & Dr Martens) shopping bags are recyclable through soft plastic recycling (where available).

In an effort to reduce the number of shopping bags distributed, we are working with our store teams to ask customers if a bag is needed rather than give one out automatically.

E-Commerce Bags

OUR PACKAGING IS MADE FROM RECYCLED PLASTIC

As a business we have updated the specifications on our e-commerce mailers to ensure they are made from recycled materials. We have also added directions for our customers on reuse and disposal.



We have also collaborated with our warehouse and distribution partner to investigate options for the mailers used on the automatic packaging lines. This project involved trials to ensure the right material could be used across the warehousing automated systems. We are pleased with the outcome that resulted in a material selected that used a greater amount of recycled plastic.





ENVIRONMENT CONTINUED

RECYCLE

We continue to implement Group-wide sustainability practices across our network of stores, distribution centres and support centres. Key to this is the education of our team members through training. This year, an updated recycling training guide was created and delivered to team members via our learning management system. The training guide focused on the recycling process and what items could be recycled from our operations.

We monitor our recycling training and back-of-house procedures in a program called "Backroom Blitz". This activity is set up to occur across all Accent Group stores after key sale periods. During the Backroom Blitz, our team members are encouraged to focus on the "one percenters" that make a difference. Key to this is how well the back rooms are set up with recycle collection units and which team members have completed the training. We are proud that for the last Backroom Blitz (May 2023) there were 95% of team members who completed the training across Australia and New Zealand.

Our distribution centres execute on-site recovery systems for used packaging. Any cardboard cartons used for packaging by Accent Group are made from recycled material and packaging material that can no longer be reused is compacted and collected for recycling.

Our support centres recycle cardboard and paper and have implemented a co-mingled recycling program for glass and plastics. FSC certified paper is used in our support centres. Where possible, our weekly retail reports, forms, and administrative material are produced in formats which require no printing and can be stored and viewed via mobile technology. Across our network of stores, "reuse" is always our first option. As an example, we reuse cardboard cartons to facilitate movement of stock between our stores. Our retail outlets utilise the available shopping centre recycling facilities.

As a large proportion of our stores are in shopping centres, we have also embarked on a collaboration program with key landlords to further promote reduce and recycling.



2M
BY UPDATING OUR EPOS SYSTEM WE HAVE SAVED OVER 2 MILLION RECEIPTS FROM BEING PRINTED. THAT'S 700 KM OF PAPER!



ENVIRONMENT CONTINUED



Accent Group is a proud member of the Australian Sporting Goods Association

Each year, over 25 million pairs of sports shoes are imported into Australia, with only 1% estimated to be recycled. Once they reach landfill, these shoes can then take up to 1000 years to decompose. To help reduce the amount of footwear in landfill, we've partnered with the Australian Sporting Goods Association (ASGA) and support its TreadLightly program.

TreadLightly is a national recycling initiative that takes unwanted lifestyle footwear and responsibly recycles it in Australia to give in new life. Reclaimed materials from each shoe are broken down into crumb, which is then used to manufacture new products including gym mats, floors, and playgrounds.

We have extended this program to our customers to enable them to recycle shoes that are at their "end of life" with 303 active collection points in our stores across The Athlete's Foot, Hype DC, and selected Platypus, The Trybe, Merrell and Glue Stores.

THE SHOE RECYCLING PROCESS



OLD SPORTS SHOES

Take your pre-loved sports shoes into a participating retailer and drop them off in the designated collection unit.

RECYCLING PLANT

Your footwear is collected and sent to the recycling plant for sorting, breakdown and processing here in Australia

COMPONENTS EXTRACTED

Reusable components are extracted, including rubber, leather and fibres at the recycling facility.

NEW PRODUCTS

Reclaimed materials are used to manufacture new products such as gym mats, floors and playgrounds.



ENVIRONMENT CONTINUED



Re-Purpose

THE PARTNERSHIP BETWEEN ACCENT GROUP AND THREAD TOGETHER

Our partnership with Thread Together has played an important role in providing new clothing and footwear for people experiencing hardship across Australia. Thanks to this collaboration, Thread Together has received product donations from our brands such as Stylerunner, The Athlete's Foot, Glue, Platypus and Nude Lucy. These contributions have provided much-needed items to those in need.

Clothing and footwear is like our second skin and we believe that everyone deserves to have access to it. Through our partnership with Thread Together we have been able to make this possible, most recently for families with young children who have arrived from the Ukraine seeking refuge.

In addition to product donations, Accent Group has supported Thread Together by actively participating in volunteering efforts. Accent Group team members have volunteered at the Thread Together fulfilment centre to assist Thread Together in sorting through new clothing that has been donated, fulfilling clothing requests and creating new clothing wardrobes for vulnerable Australians. Our team members' commitment has made a tangible impact on the lives of countless individuals.

Accent Group has also shown their support during times of crisis. When Thread Together acted as first responders to the flooding throughout 2022 in NSW, VIC and South East QLD and again earlier this year in Western Australia, the Group extended their support. The assistance was invaluable in providing relief to those affected and ensuring that the necessary support reached the communities in need.

The partnership between Thread Together and Accent Group shows how two purposefully driven organisations can join forces to create a greater impact on the community and the environment. By leveraging our resources and expertise, we have shown that a shared commitment to social responsibility can bring about positive change and transform the lives of those less fortunate.

The collaboration is the beginning of the positive change we are able to effect together and has helped address clothing insecurities faced by many Australians.



SUSTAINABLE PRODUCT RANGES

Accent Group is the product distributor and retailer of **17 global footwear and lifestyle brands.**

We continue to support “eco-friendly” ranges across our product offering and work with our distribution and partners to bring these ranges into the Australian and New Zealand markets in-store and online.

Skechers

Introducing the Our Planet Matters range from Skechers. Good for your feet. Good for the world. The range was launched with products across multiple categories.

PRODUCT FEATURES

- Upper made with 65% recycled cotton, 26% recycled polyester
- Lining made with 100% recycled polyester
- Sockbed made with 61% recycled polyester
- Crafted with 100% vegan materials



Designed for multiple categories, the brand's earth-friendly Our Planet Matters styles are made with recycled materials to reduce our environmental impact



VANS

The future of our planet is being decided in every present-day decision we make. As a brand rooted in youth culture, we recognise the responsibility we have to protect the environment for future generations. We're committed to reducing our impact on the planet by eliminating single use plastics, reimagining the life cycle of our products, and providing our VANS family with resources and education to be more sustainable in the choices they make each day, both personally and in business.

While there is more work to be done, here is an example of our commitment to create a brighter future for our environment, our communities, and our planet:

Introducing the VR3 Collection featuring the VR3Waffle™. Made with rubber (60% of the outsole) that comes from regeneratively grown rubber trees to help keep our waterways clean, support biodiversity, and keep carbon out of the atmosphere.



UPPER Textiles and Laces - At least 50% Recycled, Organic or Renewable sources

DROP IN: VR3 CUSH: EcoCush drop-in footbed is made using 25% biobased EVA foam

OUTSOLE: VR3 WAFFLE: All new eco rubber compound is made from natural rubber for 60% of the outsole



SUSTAINABLE PRODUCT RANGES CONTINUED

At Timberland, we hold ourselves accountable for what goes into our products and how they're made.

We are proud that our best-selling boot across Australia and New Zealand are the Earthkeepers. These styles lead the way when it comes to using responsible materials and methods, like leather from regenerative ranches, responsible natural rubber or 100% recycled materials.

THE EARTHKEEPERS® PHILOSOPHY



MINIMAL WASTE



RESPONSIBLE NATURAL MATERIALS



REGENERATIVE PRACTICES

WHAT IS MINIMAL WASTE

In Nature, everything has a use and a reuse - nothing goes to waste. That's how we think when we design. We use recycled materials that would otherwise go to waste. And we're starting to design products that can be recycled so they won't end up in a landfill and will instead get a second life.



WHAT DOES 'REGENERATIVE' MEAN?

Nature has the power to regrow. We can help by sourcing from regenerative agriculture farms. Regenerative farming mimics nature: animals graze in natural patterns, and planting diverse crops replicates nature's diversity. The land gets to rest, pull carbon out of the air and create healthy, hydrated, fertile soil.

WHAT ARE RESPONSIBLE NATURAL MATERIALS

These materials are renewable and natural (not fossil fuels). They are sourced from farms using responsible land management practices. For example, our responsibly sourced natural rubber is not a product of rainforest deforestation. Using it helps protect wildlife diversity.

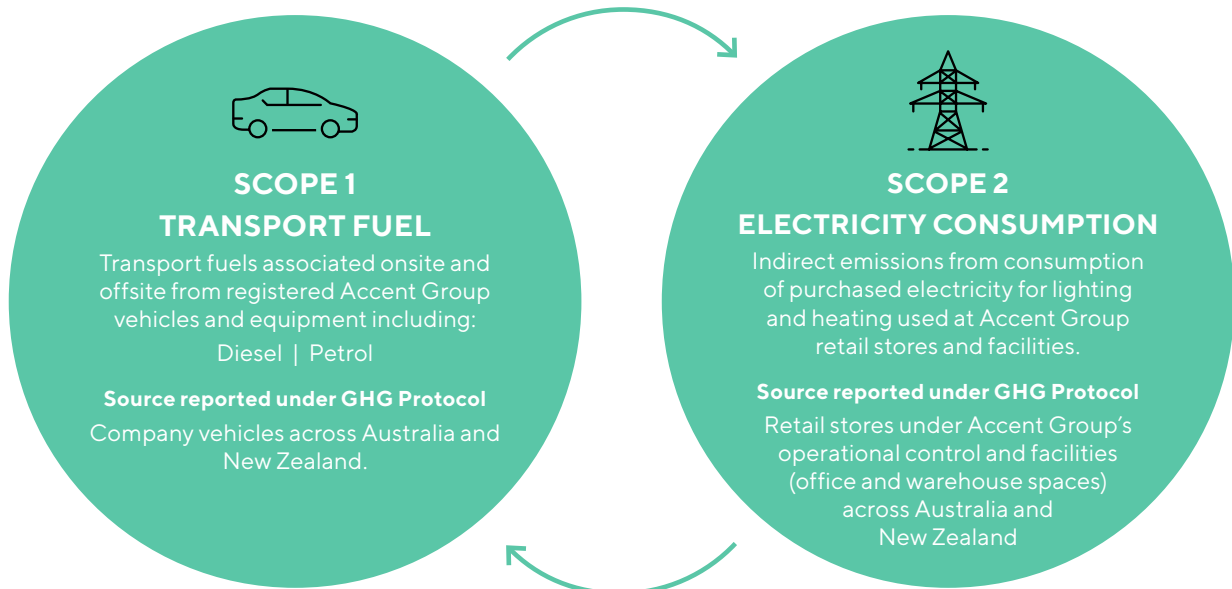
CLIMATE

Accent Group recognises the importance of climate change and is committed to understanding, measuring, and reducing our impact on the climate. We acknowledge that climate change is important to our team members, customers, and our communities.

Last year, Accent Group engaged industry experts to support us in measuring our Scope 1 and Scope 2 greenhouse gas (GHG) emissions. Through this process we identified that the primary source of GHG emissions across our business was associated with electricity consumed to power our stores, offices, and warehouses. We also identified GHG emissions associated with the fuel consumption of vehicles owned by the Group.

This project developed Accent Group's first inventory of our direct carbon footprint (covering scope 1 and 2 GHG emissions) and has been a pivotal step towards enhancing our understanding of the size of our emissions, and where they occur across our business.

We understand that climate-related financial disclosures and accounting standards will be changing and with that Accent Group will be prepared to disclose what is required.



This year we have further engaged with our key global distribution partners to understand the work they have done and commit to undertake in the areas of climate emissions.

Our key partner, **Skechers**, has provided a detailed disclosure in their "Impact Report" <https://about.skechers.com/wp-content/uploads/2023/04/Skechers-Impact-Report-2022.pdf>

Skechers have made significant progress in emissions reduction efforts, in particular in their distribution centres. Skechers have also committed to improve data collection activities and will begin undertaking efforts to measure Scope 3 emissions.

Wolverine Group have also met with us to share the work they have undertaken in the area of sustainability. More of the Groups merchandise are now designed with renewable, biodegradable and recycled materials. The carbon footprint of its headquarters has significantly reduced with the use of energy-efficient lights and biodegradable utensils in the cafeteria.

This continued collaboration with our global partners has allowed us to remain engaged in their projects which will be important as we better understand the requirements for Scope 3 carbon emissions.



CLIMATE CONTINUED

We are continuing to explore opportunities to reduce emissions across our operations and through the following key initiatives for the following year:

Commitment

1. Continue to enhance our measurement of scope 1 and 2 GHG emissions and explore efforts to measure areas of our Scope 3 emissions

We will continually mature and evolve our approach to measuring and reporting on our climate-related impacts. We will aim to reduce our reliance on estimates and prepare for changes in the accounting standards on Carbon disclosures.

2. Engage with landlords to partner on opportunities to reduce emissions

Electricity consumption is our primary source of GHG emissions. The majority of our stores are located within retail shopping centres, and we therefore will continue our collaborations with key landlords to meaningfully explore opportunities to decarbonise our operations.

3. Investigate opportunities to further implement initiatives to reduce carbon emissions with our industry associations

Continue to explore opportunities with the Australian Sporting Goods Association to reduce our carbon footprint on the collection and recycling of shoes.

“Our Environmental” Commitments for FY23

- FY23 - Ensure all Accent Group shopping bags are made of recycled materials and have correct disposal labelling. We will also reduce mixed materials in our shopping bags - Completed
- **FY24 - Reduce the volume of shopping bags distributed by Accent Group and offering customers reusable options**
- FY23 - Expand the in-store shoe recycle program beyond the current footprint of 229 stores - Completed with 303 active collection points
- **FY24 - Promote the ASGA shoe recycling program using the Accent Group Marketing channels**
- FY23 Develop a Training Program for Accent owned brands and wholesale team members and foster engagement across our supply chain and key distribution brand partners - completed with 95% completion rate
- **FY24 - Continue with the Back Room Blitz program and ensure completion rate remains above 90%**
- FY23 - Continue to work on our Carbon Footprint modelling - In progress
- **FY24 - Ensure Accent Group is prepared for the changes in climate related financial disclosures**
- FY23 - Increase customer messaging on Eco friendly ranges - in progress
- **FY24 - Work with our global distribution partners on ranging eco friendly ranges for the Australian and New Zealand markets**

Accent Group

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