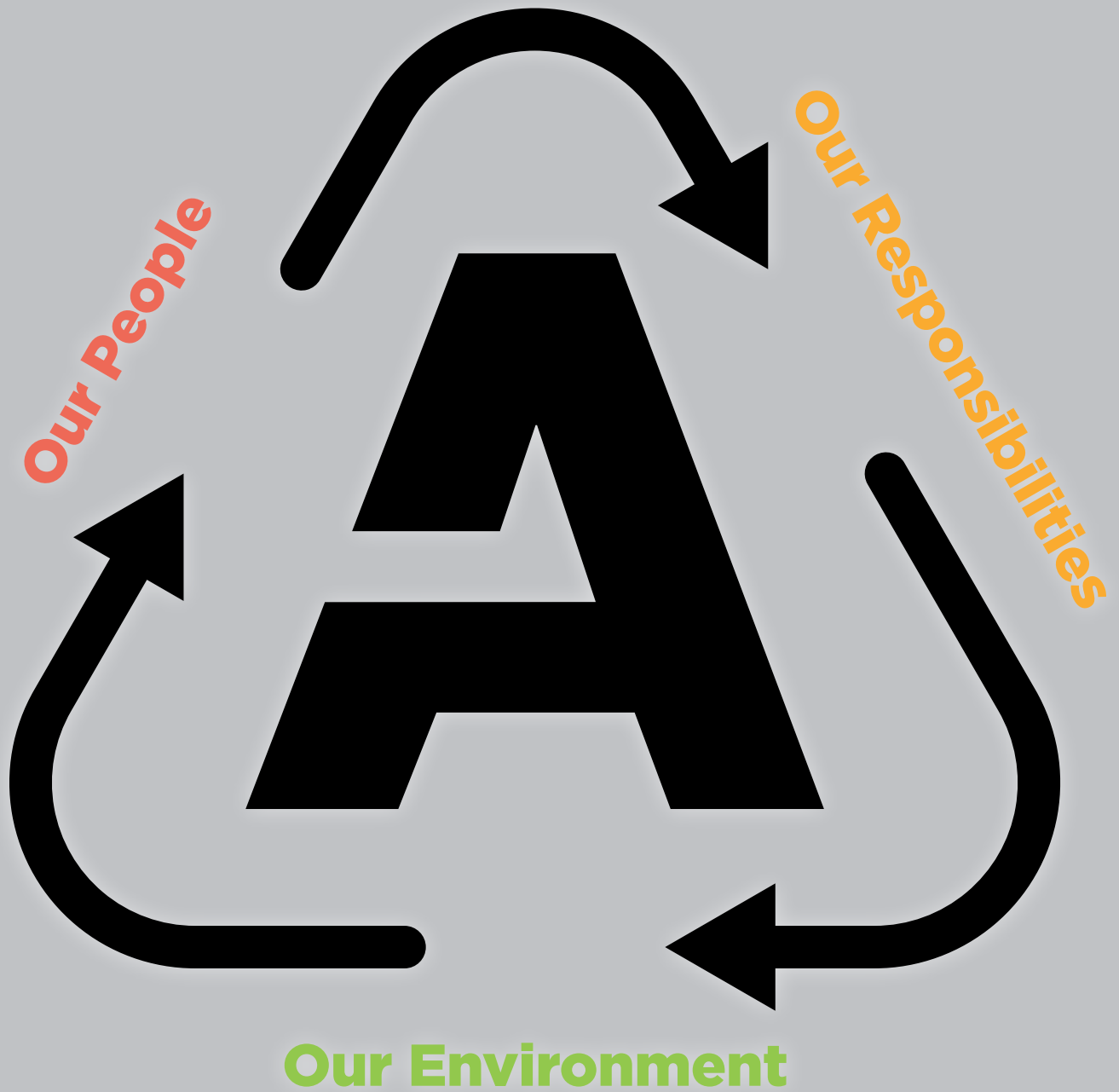


Accent Group



**Accent Group Sustainability Paper
Financial Year 2024**

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ABOUT THIS REPORT

This report has been prepared by Accent Group Limited (**Accent Group, Company** or the **Group**) and approved by both management and the Board before its release. It encompasses Accent Group's operations in Australia and New Zealand, including our stores, support offices, and warehouse, for the period from 3 July 2023 to 30 June 2024. All financial figures are presented in Australian dollars.

For more detailed financial information, please refer to the Group's 2024 Annual Report, available on our website at www.accentgr.com.au. Our website also provides access to our Ethical Sourcing Policy, APCO Action Plan, and Modern Slavery Statement.

Our Commitment to Business Sustainability

At Accent Group, we are dedicated to fostering sustainable business practices across all aspects of our operations. Our goal is to be a preferred employer, meet our customers' expectations, and provide lasting value to our shareholders. Our Environmental and Social Governance (ESG) Framework, crafted with input from key stakeholders—including team members, advisors, and brand partners—remains consistently relevant and integral to our business.

The Accent Group ESG Framework guides our commitment to sustainability through three core pillars: our people, our responsibilities, and our environmental stewardship.

Our People come first because they are our greatest asset, and we recognize that our success is built on their dedication and contributions.

Our Responsibilities focus on upholding integrity and ethical practices. We are committed to supporting the communities we serve and safeguarding the information we manage.

Our Environment is a priority, and we are dedicated to implementing initiatives that reduce our impact on the planet.

The sustainability agenda is guided by a broader governance structure that drives our ongoing commitment to environmental stewardship, health and safety, corporate social responsibility, and public policy matters. This governance approach ensures that leaders across the Company align their business strategies with evolving ESG objectives. Ultimately, our Audit and Risk Committee and Board are responsible for the oversight and approval of all key ESG-related matters.

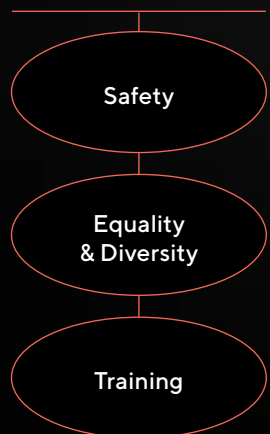
ACCENT SUSTAINABILITY PILLARS

At Accent we *"Make it Happen"*



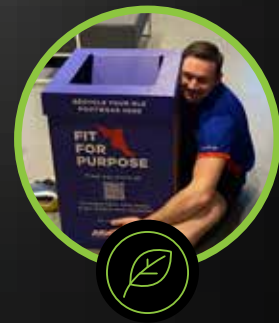
Our People

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 greatest asset.

We recognise that the performance of Accent Group is driven through the quality and motivation of our people, with over 8,700 team members employed across Australia and New Zealand.

Cultural Commitments

The Accent Way (6) + 1

Accent
Group

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.





Our people come first continued

Our cultural commitments are essential in driving our purpose, values, and beliefs. They shape our interactions and collaboration, guiding us towards achieving our goals. Every division within Accent Group has embraced these commitments, ensuring a unified set of core values across the organisation.

We have integrated these cultural commitments into our **Performance & Development cycle and Reward & Recognition** program to bring them to life.



TEAM ENGAGEMENT SURVEY

One group.
Your voice.
Be heard.

Our annual Engagement Survey is essential for shaping and enhancing the culture at Accent Group.

As we enter the fourth year of this program, we continue to deeply value the feedback from our team members, which has been pivotal in guiding our People and Culture Action Plans. Building on insights from last year's survey, our FY24 Team Engagement Action Plan has focused on:

1. CAREER AND DEVELOPMENT

We have integrated our enhanced Performance and Development Cycle into the business operations and launched a Leadership Academy to support leaders across the organisation.

2. REWARD AND RECOGNITION

Since 2022, we have recognised over 161 team members for alignment of performance with Accent's Cultural Commitments and their contributions to Accent Group. We continue to build on this program each year.

3. COMMUNICATION

We have continued to utilise the "Accentuate" newsletter to celebrate achievements and promote our training and educational opportunities to all team members.

Health and safety

At Accent Group, we are dedicated to ensuring a safe working environment and safeguarding the health and safety of our team members, customers, and visitors.

Our goal is to continually enhance our safety performance in all areas of health and wellbeing. We achieve this through regular monitoring of key safety metrics and implementing risk mitigation strategies to minimise workplace injuries and reduce lost time.

The Accent Group Safety Steering Group, led by the General Manager – People & CX plays a crucial role in fostering safety engagement across the business. This group, composed of both operational and leadership members, serves as a bridge between site-based safety teams and management, thereby enhancing the visibility and escalation of safety issues.

AUDIT PROCESS

Our dedicated Accent Group Loss Prevention & Safety Managers are responsible for managing and advancing occupational health and safety risk mitigation strategies and programs. These include general safety training, ladder safety, physical and mental first-aid training, and fostering cross-functional knowledge sharing. In FY24, this team conducted over 600 loss prevention and safety audits across our network. This effort included a follow-up to the ladder audit, during which non-compliant ladders were identified and replaced. The ladder audit is a critical component of our safety protocol, ensuring that stores have safe, compliant ladders and that team members are trained in ladder use and risk identification.





Health and safety continued

INCIDENT REPORTING PROCESS

This year, we continued to implement our Incident Reporting program across the Group using Zendesk. This system has enhanced our reporting capabilities and response times, making it significantly easier for team members to use. The key areas of reporting include:

- In-store Incident – Customer aggression, injury or near miss
- Incident Report – Workplace injury
- Serious Incident Report – Bullying, harassment, or discrimination

Our incident reporting training module covers:

- What to report
- How to report
- Why reporting is important
- Compliance with reporting procedures
- The process following a report submission

From this training program, team members have gained an improved understanding of their responsibilities regarding incident reporting

Additionally, we launched an updated **Emergency Response** process focused on critical incidents. Team members received training on this new process, and we will continue to assess its effectiveness over the coming year.

SAFETY TRAINING

Our foundation safety training program (HR101) is mandatory for all new hires at the Group. This program aims to educate team members on occupational health and safety risks and responsibilities. It includes training on key topics such as:

- Ladder safety
- Manual handling
- Stress management
- Slips, trips, and falls
- Workplace violence
- Incident reporting

Additionally, this year we introduced a new **Respect at Work** training module in light of the changes resulting from the *Anti-Discrimination and Human Rights Legislation Amendment (Respect at Work) Act 2002 (Cth)*. This training module is designed to emphasise the positive duty on prevention of incidents and promote a respectful workplace environment.



PERFORMANCE AND PROGRESS

Our Lost Time Injury Frequency Rate (LTIFR) for FY24 stands at 4.88, which represents an increase from last year's LTIFR of 2.24.

This rise is due to 36 team members experiencing Lost Time Injuries this year, compared to 20 the previous year. A factor contributing to this increase was our FY24 initiative to enhance team member awareness about Workcover support, which has led to more reported incidents. We have also noticed a rise in physical incidents involving stock handling, ladder use, manual handling, and trips and falls. To address these issues, we will strengthen our in-store induction and training processes in these specific areas.

Total Recordable Injuries (TRI) also saw a rise, increasing from 122 last year to 289 this year.

This change is partly due to our larger workforce and the implementation of a new digital reporting system, which has improved the accuracy and consistency of our injury reporting. Consequently, we believe this has led to more injuries being reported which has allowed us to better understand issues and support our teams accordingly.

We acknowledge the increase in reported incidents is significant and we are therefore dedicated to enhancing safety through targeted training and proactive measures.

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 understand that our team members' well-being encompasses both physical and mental health. To support this, we offer an Employee Assistance Program and critical incident support through TelusHealth (replacing the former provider, Benestar).

Diversity and inclusion

Accent Group is dedicated to fostering a workplace culture that both celebrates diversity and embraces inclusivity.

We believe that our workforce should reflect the diverse nature of our community. Our commitment is reinforced through our Diversity and Inclusion Policy and Code of Conduct, which are embedded throughout the organization.

We strive to create an environment of mutual respect, dignity, and openness, appreciating the richness of different cultures and perspectives. At Accent Group, diversity encompasses a range of dimensions, including but not limited to age, gender, race, national or ethnic origin, learning and physical ability, disabilities, religion, language, family/marital status, and sexual orientation.

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 published on 18 August 2021:

Measurable objectives		Target %	Target date
Improve representation of women in leadership positions	Board*	30%	30 June 2024
	Senior Managers	To increase the percentage of female to male senior executives	
Improve the representation of women in the workforce		To report annually on the movement in the % of females to males. This currently sits above 50% for the balance of the workforce.	

As part of our dedication to fostering a diverse and inclusive workforce and to demonstrating our progress toward gender equality, Accent Group submits an annual report to the Workplace Gender Equality Agency (**WGEA**) each year by 31 March. The current gender representation within the Group, as of 31 March 2024, is detailed below, in accordance with the *Workplace Gender Equality Act 2012 (Cth)*.

FY23	Total number	% of women	% of men	FY24	Total number	% of women	% of men
Board*	6	17%	83%	Board*	6	33%	77%
Senior managers**	97	54%	46%	Senior managers**	115	49%	51%
Other managers	790	70%	30%	Other managers	942	72%	28%
Other employees	6,466	65%	35%	Other employees	6,845	66%	34%
Total	7,359	65%	35%	Total	7,908	66%	34%

* Non-Executive Directors

** 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.



Training and Development

A commitment to the ongoing training and development of our team members is critical to our success and sustainability as an organization.

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.



LEADERSHIP ACADEMY

In February 2024, we launched the Accent Leadership Academy to provide support for our leaders throughout the organisation. This six-month program, facilitated by an external expert, is by invitation only and targeted towards identified potential and high performing talent across Australia and New Zealand. The program focuses on three key leadership areas:

- 1. Emerging Leaders** – Enhancing their capability and development.
- 2. Existing Leaders** – Expanding their management skills, improving cross-functional influence, and learning to achieve results through others.
- 3. Senior Leaders** – Strengthening their strategic acumen.

Each participant in the program is paired with a mentor who is a senior leader in the business.

AG UNI

In FY24, over 475 team members participated in the Accent Group Uni (AG Uni) program. Supported by the government, this initiative involves a partnership with a Registered Training Organisation to deliver nationally accredited training programs for employees seeking qualifications in retail. AG Uni offers team members the chance to earn nationally recognized certificates while developing both technical and behavioural competencies.

The program primarily targets our Assistant Store Managers, Store Managers, and Customer Experience team members. To date, participants have enrolled in the following courses:

- Certificate III in Retail
- Certificate IV in Retail Management
- Certificate III in Business
- Diploma in Leadership & Management

The program has proven effective for succession planning and clarifying career pathways for our Retail and Customer Experience teams. Training combines on-the-job experience with face-to-face classroom learning.

RISE

This year, we launched a pilot program called Rise, aimed at developing the skills of casual team members and preparing them for Assistant Manager roles. Facilitated internally, the program has already received positive feedback from participants.

Our responsibilities – we act with integrity



MODERN SLAVERY

Accent Group is dedicated to operating responsibly and ensuring that no one involved in our operations—whether employees, customers, or community members—experiences exploitation in the workplace. This means that no one should feel coerced into staying or continuing work due to threats, violence, intimidation, abuse of power, or deception.

We acknowledge that modern slavery risks can be present in our supply chain. To address this, we have strengthened our framework for engaging with suppliers to identify and manage these risks effectively.

We submit our annual Modern Slavery Statement to the Australian Border Force, outlining Accent Group's commitment to maintaining responsible policies and procedures to manage modern slavery risks in our operations and supply chain. The statement is available on our website www.accentgr.com.au/investor/investor-information.

Accent Group's Audit and Risk Committee, with delegated responsibility from the Board, oversees the Group's risk management framework to ensure that our responsibilities and obligations regarding modern slavery are managed.

ETHICAL SOURCING

At Accent Group, ensuring that our products are sourced through an ethical supply chain is an important aspect of our operations. Throughout FY24, we continued to distribute our Ethical Sourcing Policy to our suppliers and brand partners across the Group. We require suppliers of Accent-owned brands to sign and return a copy of the Policy, demonstrating their commitment to meeting our standards.

Our Ethical Sourcing Policy is based on international standards and guidelines and includes four key expectations of our suppliers:

- **1. Business Integrity and Ethics:** Suppliers must comply with all applicable laws and regulations and conduct business ethically.
- **2. Labour Standards and Human Rights:** Suppliers and factories must protect workers' rights, ensure freedom of employment, and provide fair and legal remuneration. Child labor, discrimination, and any form of harsh or inhumane treatment are strictly prohibited.
- **3. Healthy and Safe Working Conditions:** Workplaces must be safe, with minimised occupational hazards through emergency preparedness, training, and machinery safeguards.
- **4. Environmental Protection:** Suppliers and factories are expected to actively work on reducing their environmental impact and continually improving their performance.

You can view our Ethical Sourcing Policy at www.accentgr.com.au/investor/investor-information.



Community Partnerships

Accent Group is proud to support “Stamp Your Feet,” an initiative designed to aid key charities and community groups, raise funds, and build awareness around important social issues in the communities we serve.

In response to the growing need for mental health support, Accent Group is now in its third year of partnership with headspace in Australia and Youthline in New Zealand. These not-for-profit organisations are dedicated to raising awareness and providing support to young people experiencing mental health challenges. The mental well-being of our community, including team members, customers, and all individuals we interact with, is of utmost importance to us.

Through “Stamp Your Feet,” Accent Group has committed a \$450,000 donation to these charities across the last 3 years. We have also integrated related initiatives within our business, such as providing training for team members across Australia through headspace, and New Zealand through Youthline.

Other Group based initiatives that Stamp Your Feet has supported this year include activations across our store network and support offices:

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.



R U OK Day

The Accent Group team actively supported R U OK Day. This day serves as a reminder to ask the question, “Are you OK?” and to initiate meaningful conversations with those who may be struggling.

This year, we encouraged both our support centre and retail teams to wear yellow and take a moment to check in with their colleagues. In our support centres, we organised coffee and cake sessions to provide a relaxed setting where team members could step away from their desks, put away their phones, and engage in genuine conversations with their peers.

Across our Brands

Our commitment to community engagement spans our key brands within Accent Group.

This year, we've launched a variety of impactful initiatives across our brand portfolio. Here are some highlights of the programs and activities that have made a difference in our communities.



VANS

Accent Group VANS team has continued its partnership with "Build-Up Skateboarding," organising skateboard workshops and demonstrations across the Northern Territory and Western Australia. This year, the program has expanded to include Queensland-based remote and regional communities, reaching over 200 young people. This trip took place over the course of a week in the cities of Mount Isa and Townsville.

These workshops provide children in these communities with opportunities to build confidence, creativity, and perseverance through engaging in positive challenges. The VANS team collaborates with local community members to ensure that the programs are appropriately tailored, with local staff and young leaders trained to create a fun and safe environment.



The Athlete's Foot

The Athlete's Foot proudly partners with **parkrun** in both Australia and New Zealand, supporting the community by encouraging health, fitness, and activity through these accessible weekly events. Parkrun offers a series of free, timed runs suitable for adults and juniors aged 14 and over. This partnership has been in place for six years and we look forward to continuing the partnership.



Alpha Shoes

Alpha Shoes demonstrates its commitment to social responsibility and community support through its partnership with The Song Room. This collaboration helps fund music and arts programs offered by The Song Room in schools and communities. The support from Alpha Shoes aids in expanding these programs by providing essential instruments, materials, and educational resources needed for effective arts education.

Data Security



At Accent Group, we prioritise the security of our digital and data operations, ensuring the privacy of the information we collect.

Our privacy and security policies promote fair and transparent use of personal data for specific purposes, making data security a key part of our business practices.

Our CyberSecurity Team identifies and manages our security risks, regularly reporting to the Accent Group Audit and Risk Committee and Board. We use a multi-layered cybersecurity approach, partnering with industry experts, gathering, and sharing intelligence with other organisations and government authorities within Australia to ensure we remain at the forefront in mitigating threats in an ever-changing landscape.

We continue to strengthen our cybersecurity defence with regular awareness training for our team members, including a three phase anti-phishing program, and increasing sophistication in phishing tests to measure effectiveness. Further payment processing channels are annually assessed against Payment Card Industry Data Security Standards, and external auditors have noted improvements in our data security.

We continuously review and update our security policies, processes and technology to stay ahead of evolving threats. Over the past 12 months we have enhanced our defence capability against phishing, third party risk management and increasing the resilience of our technology infrastructure. Our incident response plans are in place to address any security incidents including response procedures, notification protocols, remediation strategy and disaster recovery procedures to minimise the impact of a significant incident.

Accent Group remains committed to advancing our data security measures, investing in cybersecurity, and refining our strategies to protect our data and 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. Our environmental framework focuses on three key areas: reducing and reusing resources, promoting sustainable products, and preparing for climate-related financial disclosures. Our environmental initiatives continue to evolve as we seek new ways to enhance our sustainability efforts.



Australia imports over 25 million pairs of sports shoes each year, with only about 1% estimated to be recycled. These shoes can take up to 1,000 years to decompose in landfill. To address this environmental challenge, we have teamed up with the Australian Sporting Goods Association (ASGA) to support the **TreadLightly program**.

TreadLightly is a nationwide initiative dedicated to the responsible recycling of unwanted lifestyle footwear in Australia. The program processes reclaimed materials into crumb, which is then used to produce new items such as gym mats, flooring, and playground surfaces.

We are proud to offer our customers convenient recycling options at collection points across our key brands, including The Athlete's Foot, and selected Hype DC, Platypus, Glue Store and Merrell and stores.

THE SHOE RECYCLING PROCESS





Environment continued



Accent Group is a member of the **Australian Packaging Covenant (APCO)**. Through this association, we support initiatives focused on reducing our environmental impact via recycling, product stewardship, and sustainable packaging design. You can view our annual APCO Performance Summary and Action Report here [Accent APCO reports](#).

RECYCLE

This year we continued to support our Group-wide sustainability practices across our network of stores, distribution centres and support centres.

We attribute much of our progress to the education provided to our team members via our online learning management system. Our recycling training guide highlights recycling opportunities across our operations. This year this guide has been developed into an interactive module which team members will use to enhance their training.

We have continued to monitor our recycling training and back-of-house procedures in a program called “**Backroom Blitz**” which takes place across Accent Group stores following major sale periods.

We are proud to report that, the most recent Backroom Blitz across our Platypus stores saw a 92% completion rate (where stores reported on the recycling initiative, ensured waste streams are separated, and in-store execution photos are uploaded to the portal).

In our stores, we prioritise “reuse” as our first option. For example, we reuse cardboard cartons to move stock between stores, further reducing waste and supporting our sustainability objectives.



Environment continued

SUSTAINABLE PRODUCT

Accent Group is committed to supporting eco-friendly products across our diverse product offerings, including those offered by our distribution brand partners and our own Accent-owned brands. By introducing environmentally conscious options, we strive to promote a greener future and offer our customers high-quality products that reflect their values. We are continually working to enhance this commitment across all areas of our operations, ensuring that both our external partnerships and internal brands support a more sustainable and responsible marketplace.



The Alpha "Dux" school shoe is made with recycled leather.



Raise sandals are made with over 90% recycled materials.



VANS

VANS is committed to reducing its impact on the planet by eliminating single use plastics, reimagining the life cycle of its products, and providing the 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 the VANS' commitment to create a brighter future for the environment, communities, and the planet:

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

Hoka

HOKA is environmentally conscious and ensures that materials across 97% of the range are recycled, renewed, or naturally sourced.





Climate



Accent Group recognises the critical importance of climate change and is committed to understanding, measuring, and reducing our environmental impact.

We are aware that climate-related financial disclosures and accounting standards are continually evolving, and **we are dedicated to meeting these new requirements as they emerge.**

In previous years, we have collaborated with industry experts to measure our Scope 1 and Scope 2 greenhouse gas (GHG) emissions. This initiative provided us with a detailed inventory of our direct carbon emissions and was a key step in understanding their scale and sources.

Our analysis revealed that the majority of our GHG emissions come from electricity usage across our stores, offices, and warehouses. In response, we have focused this year **on testing a reporting platform** to better capture and manage our Scope 2 emissions.

Our **governance processes** will be overseen by the Group Chief Financial & Operating Officer, who will report to the Accent Group Audit and Risk Committee and, ultimately, the Accent Group Board.

Accent Group

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