



MODERN SLAVERY STATEMENT 2021

This statement has been published in accordance with the Australian Modern Slavery Act 2018 (the “Act”) and it describes the steps taken by Rip Curl Group Pty Limited (“Rip Curl”) to address the risks of modern slavery throughout its supply chain during the financial year ending 31st July 2021.

Rip Curl is committed to respecting human rights and recognizes its responsibility to uphold these rights. Rip Curl’s long held Company Principles and Values reflect this commitment. We know that throughout the world slavery exists in one form or another, and as a company we agree and support the reporting requirements as laid out in the Australia Modern Slavery Act. We adhere to relevant legislation and take active measures to drive a positive social transformation.

Rip Curl was purchased by Kathmandu Holdings Limited, a publicly listed company, on 1 November 2019 and accordingly, at that time went from a privately owned business to operating in the public environment, with the additional compliance and governance focus that involves. Fortunately, the Kathmandu brand has a set of values that is consistent with Rip Curl’s, and a very strong and well-developed culture of social compliance and responsibility, which Rip Curl is leveraging to further improve its own performance in this area.

As a separate Australian entity with consolidated revenue of over AUD\$100 million, Rip Curl Group Pty Limited, as the Reporting entity for the purposes of the Act, submits this Modern slavery Statement in respect of the “Rip Curl” brand. As Rip Curl has a separate supply chain to the “Kathmandu” brand, this Modern Slavery statement is submitted separately to the statement submitted by Kathmandu Pty Limited in respect of the “Kathmandu” brand. Accordingly, this modern slavery statement considers Rip Curl Group Pty Limited and the entities it owns and controls forming part of the Rip Curl Group.

In this statement we highlight the ways in which Rip Curl is complying with anti-slavery legislation and working alongside others to facilitate a positive social change, to access and address the risks of modern slavery in its business and supply chains - not because we are told to do so but because it is the right thing to do.

This statement has been approved by the board of directors of Rip Curl Group Pty Limited on 27 January 2022.

Signed,

Anthony Roberts

Director and Company Secretary

Rip Curl Group Pty Ltd

27 January 2022

1. RIP CURL'S STRUCTURE, OPERATIONS, AND SUPPLY CHAINS

Rip Curl was founded in 1969 in Torquay Australia by two young surfers and has today become one of the most respected surfing brands in the world with over 1,500 permanent employees and having a presence in over 50 countries through our subsidiaries and Licensees.

Through our Company Principles and Values, we understand our responsibility to care for all our workers, and those of our suppliers and business partners. In collaboration with our suppliers, we work hard to eradicate modern slavery, human trafficking, or any form of forced labour from our direct supply chain.

Structure

Prior to its acquisition in November 2019, the ultimate holding company of the Rip Curl business was Rip Curl Group Pty Ltd (ACN 068 999 520). Rip Curl Group Pty Ltd owns a number of subsidiaries which carry out Rip Curl's operations in key regions around the world, including Australia (Rip Curl Pty Ltd and Ozmosis Pty Ltd), the USA (Rip Curl, Inc.) Canada (Rip Curl Canada, Inc) Brazil (RC Brazil Ltd), Indonesia (PT Jarosite), Europe (France) (Rip Curl Europe SAS) and Thailand (Rip Curl (Thailand) Co Limited and Onsmooth Thai Co Limited). The Rip Curl brand is also licensed by Rip Curl intellectual property-owning entity, Rip Curl International Pty Ltd, to a number of third-party licensees who operate in other regions of the world including in Argentina, Peru, Chile, South Africa, Malaysia, Papua New Guinea, Singapore, Russia and Israel.

On 1 November 2019 the shares in Rip Curl Group Pty Ltd were acquired by a subsidiary of Kathmandu Holdings Limited, a New Zealand company publicly listed on the New Zealand and Australia stock exchanges. The structure for the "Rip Curl" business remains under Rip Curl Group Pty Ltd and is largely unchanged under the new ownership. Kathmandu Holdings Limited is now the ultimate holding company of the Rip Curl Group. This report is approved by the head Australian subsidiary of Kathmandu Holdings Limited, for the Rip Curl brand, Rip Curl Group Pty Ltd (ACN 068 99 520)

Operations

The Rip Curl Group is headquartered in Torquay, Victoria and owns the surfwear brand "Rip Curl" and markets, manages, and commercializes that brand, distributing Rip Curl branded products globally through a network of subsidiaries and independent licensees.

Rip Curl designs, develops, purchases, and manufactures a range of Rip Curl branded surfing or surfing inspired products including apparel, wetsuits, swimwear, bags, watches, footwear, and accessories. The business is supported by key functional departments including accounting and finance, HR, product design and development, marketing, retail operations, sales, and sourcing, all primarily based at our Torquay headquarters.

Rip Curl products are distributed by Rip Curl Group at wholesale level (i.e., sold to other retailers who then on sell to the public) and at retail level (through Rip Curl stores and ecommerce sites). Rip Curl Group also owns and operates the Ozmosis multi-branded retail chains stores in Australia which sells Rip Curl products as well as products from other brands.

Supply Chain

All Rip Curl products are designed by our teams in Australia, USA and Europe and sourced through suppliers and manufactured in:

China	France
India	Indonesia
Bangladesh	Italy
Thailand	Mexico
Vietnam	USA
Australia	

Since December 2017 Rip Curl has published a factory listing on our website and during this reporting period our factory listing is now available via the Open Apparel Registry – see <https://www.ripcurl.com/au/explore/social-compliance.html?v=1>. Rip Curl’s suppliers are third party independent entities other than Onsmooth Thai wetsuit factory in Thailand which is owned by the Rip Curl Group.

2. RISKS OF MODERN SLAVERY PRACTICES IN THE OPERATIONS AND SUPPLY CHAIN

Rip Curl perceives its supply chain, and in particular the network of suppliers it uses around the world to manufacture Rip Curl products, as posing its most significant risk of modern slavery practices.

Rip Curl recognizes that reaching a satisfactory level of compliance among all suppliers and their factories is an ongoing process that requires time and effort, to which Rip Curl is committed and to which resources are devoted. We understand that there are many factors which impact on our ability to effect change and influence conduct within our supply chain, including the breadth of our supplier base, the volumes of our production, the level of sophistication in our supply chain, and importantly that we source from some relatively high-risk countries such as China, India and Bangladesh.

Rip Curl policies and practices to prohibit modern slavery and human trafficking commence with our suppliers onboarding and approval process, are reinforced by our comprehensive formal documentation (including our Workplace Code of Conduct adopted by all suppliers) and overseen and enforced by our dedicated team members, with expert external assistance as required (e.g., to conduct compliance audits of suppliers and their factories).

Rip Curl takes social compliance seriously and all suppliers and individual factories in our supply chain are subject to stringent review and approval processes prior to use. Rip Curl has employees dedicated to managing risks in this regard and has strict policies and comprehensive documents in place governing its supplier relationships. Suppliers are required to enter into our Workplace Code of Conduct (see <https://www.ripcurl.com/au/explore/social-compliance.html> for details) and comply with this and our various related policies (including our external audit program) outlined in section 3.

Alone, we cannot eradicate slavery, but we can make this transformation by working in collaboration with our customers, our suppliers, other businesses, civil society, external consultants, third party associations and governments. All companies play a role in assessing, mitigating, and preventing forced labour and slavery throughout their business activities.

3. ACTIONS TAKEN DURING REPORTING PERIOD TO ASSESS AND ADDRESS THESE RISKS

Rip Curl has in place a series of processes, policies, and documents to assess and address Modern Slavery risks. Dedicated in house resources are focussed in this area, and relationships have been established with key external partners to monitor and improve our effectiveness. We also believe that our strong and long-term relationships with our suppliers plays a key role in addressing risks in this area.

During the Reporting Period, Sustainability and Compliance at Rip Curl became a shared responsibility under the newly created Environmental Social & Governance (ESG) team and shared by the ESG Manager, Ethical Sourcing Manager, Sustainability Co-ordinator and ESG Co-ordinator whilst supported by many members of our Sourcing and Product teams.

Whether a supplier or factory is existing or newly introduced, it must go through an approval and on-boarding process with no production being allowed until fully approved by the Group Sourcing Department. This due diligence process includes, where possible, the following inquires: a factory visit (if not possible eg during covid, detailed photographic and other evidence is required), a detailed Q&A process, an outline of our compliance requirements and run through of our Workplace Code of Conduct and related documentation, inspection of sample products, confirmation of compliance and audit history and satisfactory resolution of any issues, where possible a review of existing factory audits, review of other customers of the supplier and internet searched for any negative issues regarding the supplier. As a general rule, no production is allowed from any factory until a 3rd Party Social Compliance audit has been undertaken and any issues identified resolved.

All Suppliers required to sign the Rip Curl Workplace Code of Conduct, covering 14 areas:

Transparency	Responsible Recruitment	Health, Safety & Workplace
Compliance with the law	Modern Slavery	Environment
Employment Relationship	Child Labour	Hours of Work
Non-discrimination	Freedom of Association and	Compensation
Harassment or Abuse	Collective Bargaining	Environment

Ongoing compliance with these terms (including our external audit requirements) is incorporated into our agreements with our suppliers. Suppliers are required to understand and comply to not only Rip Curl's ethical compliance requirements but all relevant in country laws and regulations.

Our group owned wetsuit factory in Thailand is treated as an independent supplier by our Sustainability and Compliance team and is subject to the same requirements as all suppliers.

Regular independent compliance audits of our suppliers are undertaken. For the Reporting Period covered by this statement, Rip Curl's compliance program was in partnership with Elevate. Elevate monitored and audited our suppliers and their factories, to ensure that all possible measures were being taken to ensure the workers' rights and safety were being safe guarded. In addition, ELEVATE also provides broader support, assessments, analysis, reporting and training services. Our external audits are complemented by internal in country visits by our employees and QC teams.

During this reporting period, Rip Curl's external auditing program was further enhanced with audits conducted by the Fair Labour Association (FLA) showing our ongoing commitment to ensure that all workers' rights and safety were being safe guarded.

We are committed to our suppliers and their workers, and this is demonstrated by building strong and long-term relationships, with many suppliers having been Rip Curl suppliers for over 10 years.

Face to face interaction with our suppliers (in addition to external audits and ignoring the many day to day communications and relationships across many elements of both our businesses) include regular in country employee visits to supplier factories and offices, supplier conferences in key supply regions and suppliers meetings at the Rip Curl Head Office.

Through all this interaction and the close and long-term relationships we build, mutual respect, transparency and honesty are encouraged, which we see as critical to the effectiveness of all measures we take and in particular to the effectiveness of our external audits of our suppliers and the actions put in place as a result of those audits.

Rip Curl is committed to helping suppliers/factories to improve and to ensure that they are acting within the limits of the law, to reduce the risk of modern slavery, to empower the workers where in many cases where they do know what to do or are powerless to act.

All suppliers are subject to a bi-annual Supplier Review, undertaken during the Reporting Period jointly by the Group Sourcing Manager, with input from the sustainability and Compliance Manager and ultimately confirmed by the Head of Product and Group CEO, before orders being placed for our major purchasing seasons. Internal and external audits results are reviewed immediately by the Sustainability and Compliance Manager on receipt and any non-compliance actioned via preventative and corrective action plans developed in conjunction with the relevant suppliers. Achievement of these action plans is then closely monitored together with the supplier to achieve compliance.

The move to work with ELEVATE at a deeper level has provided us with the opportunity to undertake a full analysis of our supply chain showing us where our strengths and our weakness are with are current suppliers. This analysis along with the results of all audits, is now part of the regular supplier review noted above. The service provided by ELEVATE also covers training through their online platform as well as additional in country support and has allowed us to implement a grievance mechanism to ensure a channel for all workers to have their voices heard.

The recently established Environmental Social and Governance (ESG) team comprises an ESG Manager, the Ethical Sourcing and Compliance Manager, Sustainability Coordinator and an ESG Coordinator. This strengthened and focussed team, together with our partnership with ELEVATE, will increase the level of sophistication and effectiveness of our efforts in this area in the future.

Again, during this reporting period, the COVID19 crisis continues to impact how our business operated, and that of our suppliers. We recognised that the crisis could increase the risk of Modern Slavery practices in our supply chain as suppliers may have faced financial pressures. We continue to increase our focus on and investment in social compliance. Certain aspects of our program, such as the level of internal supplier visits and external audits have again been reduced due to travel restrictions during this reporting period; however, we do not believe there has been any material impact on the effectiveness of our programs.

We remain proud to the fact that unlike some business we did not cancel supplier orders at the onset of the COVID19 crisis and have worked with our suppliers throughout, limiting the pressures they are under as a result of the crisis.

4. HOW WE ASSESS THE EFFECTIVENESS OF THESE ACTIONS

Rip Curl constantly internally reviews and assesses its performance in the management of modern slavery risks and ethical compliance generally. In addition to ongoing assessments, a formal Supplier review of our whole supplier base is undertaken twice a year, as noted above. These Supplier Reviews are supported by our interaction and in particular in country meetings with our suppliers, and the results of our third-party supplier audits.

Our formal and ongoing supplier reviews and our audit program results give us comfort that there has been a broad improvement in our levels of supplier compliance, including around modern slavery and human trafficking, over time. Through our new partnership with ELEVATE, we have improved our ability to analyse our supplier base and effectiveness of our actions. The ELEVATE assessments enable us to analyse and measure supplier compliance and enable us to better evaluate our overall supply chain performance and will form the basis of future reporting in this regard more formally.

We decided in 2017 to work within the structure of the Baptist World Fashion report to obtain an external yardstick for our work in relation to sustainability and social compliance. Our actions in this area and the focus and resources we have applied has seen us achieving a B+ rating in the 2019 Baptist World Aid Fashion report during the Reporting Period, improving from C+ in 2018. As a result of COVID-19 crisis the 2020 report was replaced with the COVID-19 Fashion Commitments. For the 2021 Fashion Report, Baptist World Aid returned to the original format of the annual report and introduced a new scoring scale. Rip Curl achieved a B rating. Companies achieving a B or above were performing above the industry average.

5. CONSULTATION WITH OTHERS

Modern Slavery is addressed by the Rip Curl Group in consultation with other brands and industry participants, through our relationship with our external service providers such as ELEVATE, as part of our ongoing long-term relationships with our suppliers and through participation in the Baptist World Aid Fashion Report and other relevant bodies.

We believe that through brand collaboration we can all work together to make changes to enable the world to be slavery free no matter what form this takes – this is a long road but one that we must all travel. Whilst this cannot be completed overnight if we are all on the journey, we shall achieve a positive outcome.

Social compliance including Modern Slavery is an area we engage with in our dealings with our peer companies and various industry bodies and participants. Rip Curl is involved in a number of surf industry, fashion and retail bodies and associations, and is also a member of the Responsible Brand Alliance, a body established and hosted by the Australian Fashion Council, to allow brands such as ours to share experiences and collaborate with peers regarding sustainability matters. We are now also benefitting from the experience, resources and skills of the Kathmandu brand through our new ownership structure.

Our consultation extends to the relationship we have with our suppliers and the various interactions we have with them, including at their factories, and to working with them to address any non-compliance.

Rip Curl also continues to work with external services providers to improve its knowledge and effectiveness and is confident that ELEVATE will be able to provide training, analysis and general support which will help Rip Curl in its journey.

As mentioned in paragraph 4, since 2017 Rip Curl has participated in the Baptist World Aid Fashion report grading over 130 apparel companies achieving a B in the 2021 report. Involvement in and preparation of the Report allows a forum for interacting with and learning from Baptist Word Aid and other participants.

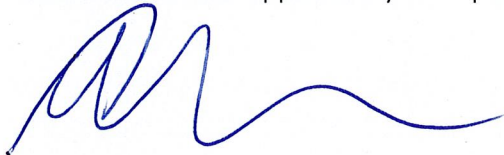
While we have chosen to work with the Baptist World Aid Fashion Report as our key external sustainability benchmark, we are also involved in other groups and associations which while not specifically focused on Modern Slavery, deal with sustainability and environmental issues and provide forums for discussion and sharing of ideas relevant to this field. We are members of APCO (the Australian Packaging Covenant). With the guidance of our parent company, Rip Curl became a member of BCI (The Better Cotton Initiative) in this reporting period, ensuring the traceability of our cotton supply, and continue to work towards certification as a B Corporation and FLA (Fair Labor Association) accreditation.

6 SUMMARY

Rip Curl confirms its commitment to respecting human rights and supports the principles of the Australian Modern Slavery Act 2018. Rip Curl has intensified its efforts in this area in recent years, even more so since becoming part of the Kathmandu Group and will continue to invest in internal and external resources to improve the effectiveness of its actions.

APPROVAL OF THIS STATEMENT

This statement was approved by the Rip Curl Group Pty Ltd Board on 27 January 2022



Anthony Roberts

Director and Company Secretary
Rip Curl Group Pty Ltd