**KMD Brands Limited**

**ASX / NZX / Media announcement**

**25 November 2026**

# KMD Brands Limited – Annual Shareholders' Meeting

KMD Brands Limited (ASX/NZX: KMD, "KMD Brands") Annual Shareholders' Meeting is being held today, Wednesday 25th November, commencing at 10.00am NZDT / 8.00am AEDT at MUFG Pension and Market Services, Level 30, PwC Tower, 15 Customs Street West, Auckland 1010.

Shareholders can participate online at www.virtualmeeting.co.nz/kmd26.

The attached presentations and material will be delivered during the meeting:

a) 2026 Annual Shareholders' Meeting - Chairman's address
b) 2026 Annual Shareholders' Meeting - Group CEO's address
c) 2026 Annual Shareholders' Meeting - Presentation to Shareholders

KMD Brands has also today published its FY26 Impact Report and Modern Slavery Statement. The reports are attached to this announcement and are available at www.kmdbrands.com.

ENDS

**For media and investor enquiries, please contact enquiries@kmdbrands.com**

or

**Frances Blundell, Chief Legal & ESG Officer and Company Secretary**
**companysecretary@kmdbrands.com**

**25 November 2026**

# KMD Brands Limited Annual Shareholder Meeting 2026

## Chairperson's Address

Now, a few words about the year just passed. In May this year the Board unanimously appointed me as Chairman following the resignation of David Kirk after twelve years as your last Chairman. David oversaw a period of significant change in the retail sector and challenge for KMD Brands. Since becoming Chairman, my priorities have been clear – refreshing and strengthening the Board, improving communication with our major shareholders, supporting and challenging Management's execution of our Next Level turnaround strategy, and evaluating options to accelerate the delivery of value to you, our shareholders.

The transition from bricks and mortar stores to digital, combined with the impact of rising rents and government mandated minimum labour costs and additional regulation are changing the economics of retailing across the world. During FY26 geopolitical tensions in the Middle East, uncertainty associated with the New Zealand election, and concerns about the economic implications of the May Australian Federal Budget contributed to declining consumer confidence and one of the toughest discretionary retail environments in recent years. Rising interest rates, persistent cost-of-living pressures and heightened household budget constraints have further reduced consumers' willingness to spend on non-essential purchases.

The result was a challenging environment not only for KMD, but for the retail sector more broadly. The recent collapse of 188-year-old retailer David Jones served as a stark reminder that no retailer is immune to sustained pressure on consumer spending and the increasing costs of doing business. Across the market, intensified discounting, margin erosion and growing financial distress became defining features of an increasingly difficult retail landscape.

Against this backdrop, Management has remained focused on strengthening the foundations of the business. At our last ASM Brent set out the priorities of the Next Level turnaround strategy. FY26 was about executing that strategy. Over the past year we have improved performance, simplified operations, and taken necessary but painful steps to strengthen KMD’s financial position. The actions taken reflect a clear focus and have positioned KMD to better navigate current market conditions and improve profitability and cash generation.

### Capital raise

A major focus for the Board during FY26 was strengthening the Group's financial position.

Following extensive discussions with our banking syndicate it became clear that we needed to raise new equity to strengthen the balance sheet in order to refinance our banking facilities ahead of their approaching expiry. We therefore completed a fully underwritten equity raising – a decision that the Board did not take lightly, particularly given the challenging market conditions and the fact that not all shareholders were minded to support the transaction. The equity raising was completed at a significant discount to the prevailing share price, resulting in substantial dilution for existing shareholders who were unable to, or chose not to follow their money by taking up their entitlement to new shares. We recognise that many shareholders found the terms

difficult whilst a number believe that a larger raising would have been appropriate. However, after careful consideration, the Board concluded that strengthening the balance sheet, improving liquidity, and securing continued support from our banking partners was in the best interests of the Company and all shareholders. Whilst these actions have improved KMD's financial position, leverage is higher than for many retail peers and debt reduction remains a priority.

The subsequent share consolidation was undertaken to reduce the high number of shares on issue after the capital raise and allowed KMD's shares to trade within a more normal price range on the market. It is important to note that this consolidation did not alter the aggregate value of the holding of any shareholder, rather reduced the number of shares on issue while maintaining investors' proportionate ownership of the Company.

**Next Level turnaround**

Throughout this refinancing and the business review Management remained focused on executing the Next Level turnaround strategy. During the year, the team improved operational efficiency, reduced costs and complexity, closed a number of underperforming stores (with more to follow in FY27), improved the average profitability of the store network, and continued targeted investment in new product, digital capability and customer experience. While there is much left to do, these actions have left the business better positioned for the future.

Brent will speak in more detail about the progress made under the Next Level strategy shortly, but I would like to acknowledge the determination of the leadership team to maintain focus on executing the turnaround plan despite the many distractions during last year.

**FY26 results**

Despite the difficult backdrop, KMD delivered a notable improvement in underlying financial performance in FY26, returning to growth with improved sales and a significant increase in EBITDA compared with FY25. All three brands grew revenues during the year. Kathmandu regained momentum in Australia and New Zealand following investments in product and digital capabilities, whilst Oboz returned to profitability. Rip Curl's performance was below expectations, and Management has taken a number of steps to reposition the brand, strengthen digital capability and refresh product assortments to support an improved outcome in FY27.

KMD's statutory result was significantly impacted by a substantial non-cash impairment charge. The Board devoted considerable time to reviewing the assumptions underpinning the impairment assessment and testing Management's forecasts and expectations for the business. The Board concluded that it was appropriate to discount Management's ambitious forecasts, reflecting both the challenging macroeconomic environment and the execution risks inherent in any turnaround program. While this resulted in a significant accounting impairment, it is important to emphasise that this was a non-cash adjustment and does not affect the day-to-day operations, cash generation or underlying performance of the business. Importantly, even after the impairment, the carrying value of the Group's net assets equates to approximately $4.81 per share, a figure very significantly above where shares have been trading in the market over recent months.

**Business review**

One of the most important matters addressed by the Board during FY26 was the strategic review initiated in May. The Board commenced the review against the backdrop of an extended period of share price underperformance, clear feedback from shareholders, and a challenging retail environment.

While management remained focused on improving business performance through the Next Level strategy, the Board also had a responsibility to consider whether alternative pathways existed to deliver greater value for shareholders. Accordingly, we undertook a comprehensive review of the Group's portfolio, capital structure and operating model, supported by external advisers. No options or outcomes were excluded.

As part of this process, the Board approved the divestment of Rip Curl's wetsuit manufacturing facility in Southeast Asia. This transaction supports a simpler operating model and provides additional financial flexibility through release of working capital and the prospective sale of land and buildings.

We also assessed strategic options for Ozmosis, our regional Australian multi-brand retail chain. Following a thorough process, the Board concluded that continuing to optimise and improve the business offered greater value than the alternatives presented.

The review generated significant interest from a range of parties in relation to both individual brands and the broader Group.

Following careful consideration of those approaches, the Board elected to enter into an exclusivity arrangement with Bluestar Alliance, as the Board considered its proposal to be sufficiently attractive to warrant granting a period of exclusivity in order to progress due diligence investigations and transaction documentation.

Since this announcement, KMD Brands and Bluestar Alliance have continued discussions and Bluestar has undertaken due diligence in relation to its possible acquisition of all of the shares in KMD Brands.

As we announced to the market yesterday, Bluestar declined to further progress due diligence and the negotiation of transaction terms unless KMD either granted a significant extension to the restrictions on responding to a superior proposal, or agreed to reimburse Bluestar's costs if a transaction did not proceed.

The Board carefully considered those requests and determined that extending the exclusivity period in the circumstances would not be in shareholders' best interests. The parties were also unable to agree a reasonable cost reimbursement arrangement. Accordingly, exclusivity arrangements are expected to conclude at 5.00pm New Zealand time on 2 December 2026. Importantly, the conclusion of discussions was not driven by any material adverse matter identified through Bluestar's due diligence investigations.

Our focus remains on disciplined execution of the Next Level strategy, including delivery of the FY27 plan, improving profitability, generating free cash flow and reducing leverage. The Board will assess credible expressions of interest that may deliver superior value for shareholders, having regard to the interests of other stakeholders.

**Board renewal**

Ensuring the Board has the right mix of skills and experience to guide the Company through its next phase has also been an important focus during FY26.

As mentioned earlier, I succeeded David Kirk as Chairman in May, following his decision to step down from the Board. Zion Armstrong also stepped down as a director to pursue other business interests. Having served on the Board for a number of years, my colleagues believed that I was able to bring continuity to the Chair role during a period of transition for the Company. Two new directors were appointed during the year. John Strowger brings a strong combination of commercial, legal and capital market skills, whilst Ian Morrice brings a wealth of international retail experience. Both have significant governance experience.

These appointments broaden the Board's collective experience and strengthen our capability to provide effective oversight as KMD Brands enters its next phase.

**Outlook**

FY27 has commenced broadly in line with our expectations and Management remains focused on delivering improved performance. We are encouraged by the continued momentum in Kathmandu as well as the progress of Next Level initiatives across the Group. Brent will provide a more detailed outlook statement in his address.

As a reminder, our trading updatedoes not cover a material percentage of annual revenues or profits.  As commented earlier consumer confidence remains weak and macroeconomic conditions remain challenging.

Management is focused on maintaining tight cost control, while recognising that further restructuring will be required to further reduce KMD’s cost base and reduce the Group's operating leverage. Priorities for FY27 remain unchanged - improving profitability, generating free cash flow to reduce leverage, and executing the Next Level turnaround strategy.

While the business review has required considerable input from both Management and the Board, it has not changed our focus. Management remains firmly committed to executing the turnaround strategy and improving business performance. The Board remains firmly committed to accelerating value generation for shareholders.

**Closing remarks**

Before concluding, I would like to acknowledge a number of groups whose support and commitment have been particularly important during a demanding year.

Firstly, Brent Scrimshaw and the entire management team. KMD has operated in a challenging environment, while navigating significant change and the additional demands of the business review. Despite this, the team has made demonstrable progress in executing the turnaround strategy, improving performance and better serving our customers. I thank Brent and the wider team for their continued commitment and focus.

Secondly, my fellow Directors. The Board has devoted a very substantial amount of time and energy to the many complex issues facing the Company during the past year. This has required balancing our ongoing governance and oversight responsibilities with the considerable demands of the business review. I would also like to acknowledge the contribution of our new directors, John Strowger and Ian Morrice, whose experience has further strengthened the Board. I thank all my colleagues for their commitment, constructive challenge and support throughout the year.

Thirdly, I would like to thank our employees, suppliers and customers around the world for their continued commitment and support of KMD and our brands.

And finally, to you, our shareholders. I fully recognise the frustration and disappointment many shareholders feel about the significant decline in value over recent years. As a shareholder I share the frustration and financial loss. The Board is acutely aware of its responsibility to address it. The clear focus of the Board, alongside Brent and the management team, is to improve the performance of the business and to rebuild value for shareholders. This includes executing the turnaround plan, strengthening the balance sheet, improving governance and carefully evaluating strategic alternatives. I am committed to doing everything within my capacity, alongside the Board and Management, to deliver this.

Thank you for listening to my address and for your continued support of KMD Brands. I will now invite KMD's Chief Executive Officer, Brent Scrimshaw, to address the meeting and provide a more detailed update on the Group's performance and strategic priorities.

Thank you.

ENDS



**25 November 2026**

# KMD Brands Limited Annual Shareholder Meeting 2026

**Group CEO Address**

Thank you, Philip.

Good morning everyone. My name is Brent Scrimshaw and I am pleased to address you all today as the Chief Executive Officer of KMD Brands.

Firstly, I'm going to walk you through our FY26 financial summary and highlights. I'll then provide an update against our progress on the Next Level 3-year strategy, together with some insight into FY27 execution. Lastly, I will provide a trading update for the first 14 weeks of FY27.

**Slide 9 – FY26 performance overview**

I am pleased to say that we've made significant progress against each of our financial objectives in FY26. All three brands delivered sales growth, we improved gross margin, reduced operating expenses as a percentage of sales and significantly increased underlying EBITDA. Pleasingly, our Next Level strategy continues to build momentum and our performance is outpacing our peers, despite negative consumer sentiment and geopolitical uncertainty, as Philip referenced earlier this morning.

We grew revenue by +6.5% above the prior year, with improved results in the direct-to-consumer channel, including improved digital performance.

Gross margin improved by 120 basis points to 57.7%, reflecting our product mix changes and improved marketplace management execution.

Underlying EBITDA increased to $42.0 million – an improvement of over 130% year on year.

After accounting for a one-off non-cash impairment of intangible assets, the Group's Net Loss After Tax was -$414.4 million. On an underlying basis, the Group's Net Loss was -$9.0 million, compared to a Net Loss of -$28.3 in the prior year.

As a result, and in conjunction with our capital raise in April 2026, the Group's balance sheet ended the year in a stable position, with $48.1 million in net debt.

**Slide 10 – Our financial results are underpinned by our Next Level Strategy...**

As a management team, we continue to work hard to build a high-performance culture. And I'm pleased to report that we have delivered a number of tangible outcomes that have transformed the business in FY26.

We reset the product roadmap for each of our brands. We did this by accelerating innovation and seasonal flow, while reinforcing each of our brand's authentic heritage and credibility in technical performance for outdoor and surf consumer. Rip Curl deserves a special mention here, with a globally restructured product team and significant reduction of over 2,000 SKUs.

In addition to Product, we also completed the implementation of Group ERP and HRM platforms to support a broader growth trajectory.

And importantly, we have become leaner and more efficient through improved inventory optimisation, and a reset of our operating models in the USA for Rip Curl and in Europe for Kathmandu.

**Slide 11 – ...Delivering on the 'proof points' that matter**

A year ago, we outlined a number of critical ‘proof points’ to measure the delivery and impact of our Next Level strategy.

Our proof points are a set of transparent and consistent measures that the business is committed to executing, and I'm pleased to report that we have delivered significant progress across each in FY26.

We delivered an additional +$60M in revenue growth year on year.

We reset the strategy of each brand, led by a renewed commitment to improving our product through innovation

We reset our cost base and moderated our investment in strategic growth, whilst delivering $27.5M in cost savings, keeping our OPEX flat year on year on a constant currency basis.

We acted swiftly to close 17 underperforming stores while delivering a step change in store profitability across both the Rip Curl and Kathmandu fleet, with additional opportunity still to capture in FY27.

Whilst there is further work to do to improve inventory productivity, we finished the year with inventory levels at a four-year low.

As Philip touched on, we also conducted a business review of non-core assets.

Each of these ‘proof points’ are deeply interconnected components of our broader transformation program that creates a simpler, more efficient, more profitable, and more agile business for the future.

**Slide 12 – KMD Brands Strategy House FY26 – FY28**

As a reminder, FY26 marked the end of the first year of our three-year Next Level strategy.

I’d now like to provide an early update on the delivery of Next Level in FY27, as we move from delivering a year of reset, to a year of accelerated execution.

**Slide 13 – KMD Brands Strategy House**

I’d like to focus in on our strategic growth drivers that are consistent across our brands, have underpinned our FY26 results, and provide a clear focus for us in FY27.

1. A commitment to iconic product
2. Consistent and elevated integrated marketplace execution
3. Accelerating our digital business around the world

Our formula is clear.  When we connect iconic product, with elevated marketplace storytelling, and reimagined digital capability, we win.

**Slide 14 – Rip Curl - Elasto**

So let's start with Rip Curl and the WSL tour stop in Portugal a few weeks ago, where we launched one of the most iconic products in the brand’s 60-year history - Elasto. A wetsuit so comfortable you literally forget that

you're wearing it. The Rip Curl product team has worked tirelessly to ensure that each of our growth drivers - product, marketplace and digital - all work together to launch the Elasto story.

**Slide 15 – Rip Curl - Product – Quick Dry Lining**

Firstly, leading with product, the world-leading Elastomax jersey is without doubt one of the biggest design innovations in wetsuits in the last 25 years. Our elite riders love the quick dry fabric, it's ultra lightweight performance, and limitless stretch, which enhances Rip Curl's position as the pre-eminent wetsuit innovator globally.

**Slide 16 – Rip Curl - Athletes and retail - integrated marketplace**

The Rip Curl team brought together product innovation, world class athletes and elite competition performance through the Elasto story, translating the brand's high-performance heritage into a compelling retail and marketplace experience. The activation set a new benchmark for the industry and reconnected consumers to what makes Rip Curl distinctive in technical surf performance.

**Slide 17 – Rip Curl - digital slide**

Digital was the most important pillar in the launch of the Elasto range with social channels generating hype and interest with core surf audiences. The Rip Curl landing page was refreshed to build anticipation along with, membership benefits, to further drive loyalty integration and consumer expectation.

**Slide 18 – Rip Curl digital slide**

As you can see – when you lead with product innovation, and connect it directly to consistent and impactful growth drivers, it resets how consumers connect and engage with the Rip Curl Brand.

**Slide 19 – Oboz - Katabatic Storm (so hot right now)**

Moving to Oboz who recently took an unconventional approach to New York Fashion Week to showcase its iconic footwear. The Katabatic Storm is a snow boot that features advanced technical innovation, recognised with a global ISPO Product Innovation Award.

**Slide 20 – Oboz - We didn't make it to fashion week**

We didn't make it to fashion week is a tongue-in-cheek campaign that brought product, marketplace and brand storytelling together to celebrate Oboz's quirky Bozeman-centric personality, together with its authentic outdoor heritage.

**Slide 21 – Oboz - Integrated marketplace - Paragon Sports**

The campaign was activated through an integrated partnership with iconic outdoor retailer Paragon Sports, reaching more than 30,000 visitors a day at one of New York's busiest and most established retail destinations, right in the heart of Fashion Week.

The campaign was extended across key retail partners, including REI, one of the world's largest outdoor retailers and a long-term, core partner to Oboz.

**Slide 22 – Oboz - Digital – Katabatic Storm**

Digital channels further amplified the campaign, showcasing innovative product and the energy of the outdoors through immersive storytelling and premium photography.

**Slide 23 – Oboz - Community activation**

From New York back to the trail, we executed an ambassador and influencer strategy, product activations and community events, with digital extending reach and engagement. A great example from the Oboz team of our growth drivers in action, connecting brand experiences to core trail audiences, and engaging new communities.

**Slide 24 – Kathmandu – Puffer time intro**

And finally, on to Kathmandu. As *the* experts in puffer jackets since 1987, Kathmandu is uniquely placed to know when consumers need one, or two or three for that matter. This past winter, we put that expertise to work with our *Puffer Time* campaign, starting with the iconic Epiq Jacket.

We mixed the Epiq together with geo-location technology and local weather data and that instantly became 'Puffer Time'.

**Slide 25 – Kathmandu – Puffer time digital**

The Puffer Time campaign effectively turned cold weather into a timely online digital sales opportunity. When local temperatures fell below 15°C, targeted messaging was activated across digital channels. Online takeovers and a 'Puffer Finder' tool helped consumers identify the right jacket for their needs. Couple this with ship from store and click and collect technology, and Kathmandu has never been more relevant when things get chilly.

So, I hope that these three examples have provided you with a fresh perspective into some of the work that is making each of our brands more authentic, more distinctive and more connected as we move through FY27.

**Slide 26 – Trading update**

Now for an update of our trading performance in the first quarter of the FY27 financial year.

Total Group sales for the first 3 months of the new financial year were +1.6% above last year. By brand, Rip Curl total sales were +0.8% above last year, Kathmandu total sales were +10.2% above last year, and Oboz total sales –19.5% below last year.

Direct-to-consumer same store sales (including online) were +3.1% across the group for the 14 full weeks ended 1 November 2026. At a brand level:

- Rip Curl +2.5% YoY (excluding Ozmosis). Ozmosis same store sales were -11.1% YoY.
- Kathmandu +5.8% YoY

DTC Retail continues to be impacted by an Australian consumer focused on value.

Group digital revenue growth of 25.5% heading into the key trading period.

Kathmandu sales momentum continued, supported by the enablement of ship from store and a strong NZ marketplace.

Rip Curl 'Next Gen' product is progressively available in Q2 in support of peak sales trade period.

Oboz wholesale sales were down as planned due to the relocation of the distribution centre. Q2 is anticipated to return to growth.

Group gross margin of 57.3% has expanded (+140bps YoY) as anticipated. Kathmandu was impacted by new season product delays, an ongoing focus on inventory optimisation and clearance access enabled by the roll out of ship from store. Rip Curl delivered margin growth across all channels including Ozmosis.

Oboz and Rip Curl wholesale order books remain in-line with prior year.

Depreciation of the New Zealand dollar continues to create headwinds impacting operating costs, finance costs and net debt, which the Group continues to manage.

Thank you for your attention this morning, and I will now hand back to Philip.

ENDS

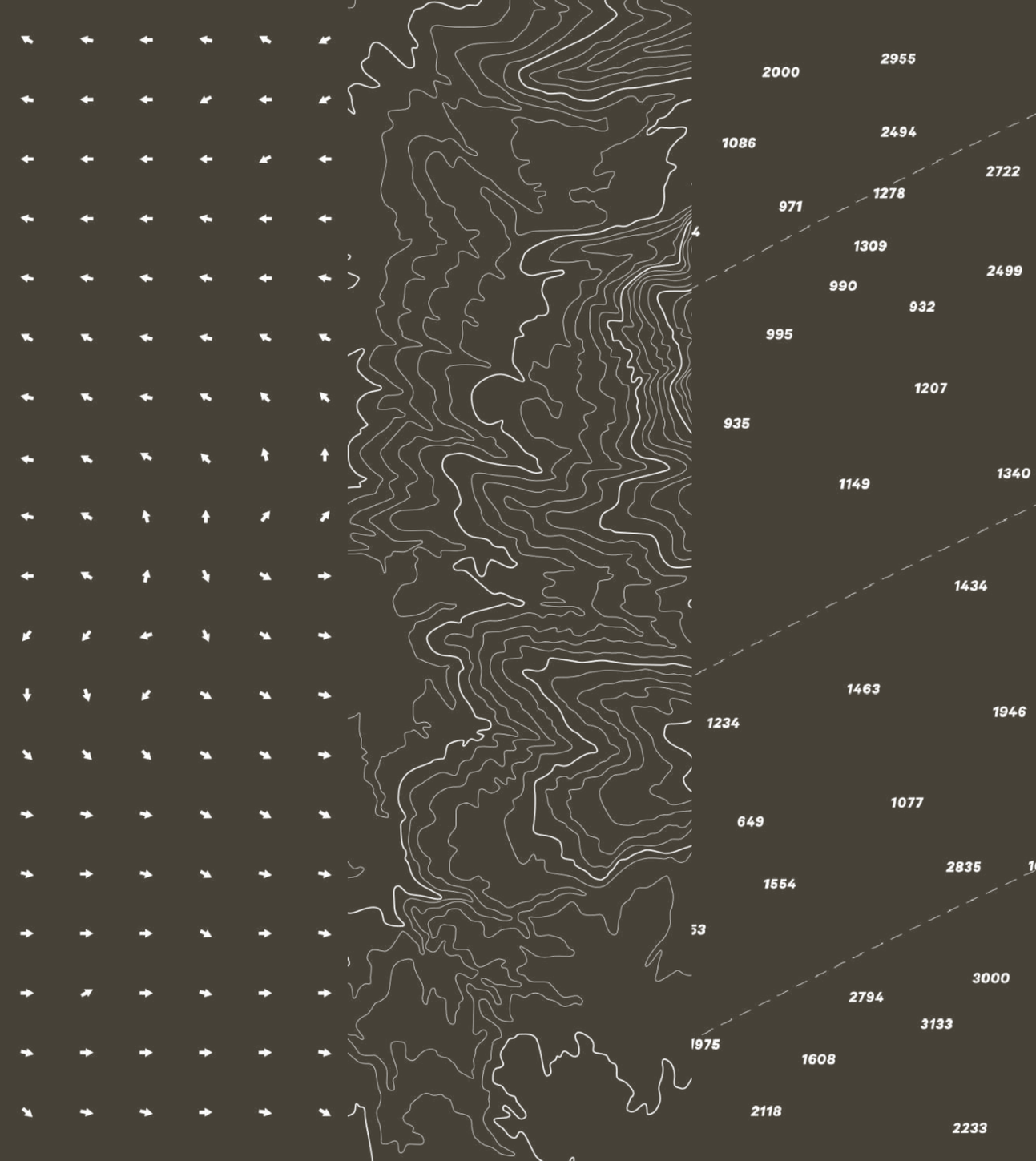


KMD BRANDS

# ANNUAL MEETING 2026

25 NOVEMBER 2026

Kathmandu® Oboz® RIPCURL



# OUR BOARD



**Philip Bowman**

Chairman



**Abby Foote**

Non-Executive Director



**Andrea Martens**

Non-Executive Director




**Ian Morrice**

Non-Executive Director



**John Strowger**

Non-Executive Director



**Brent Scrimshaw**

Group CEO and Managing Director

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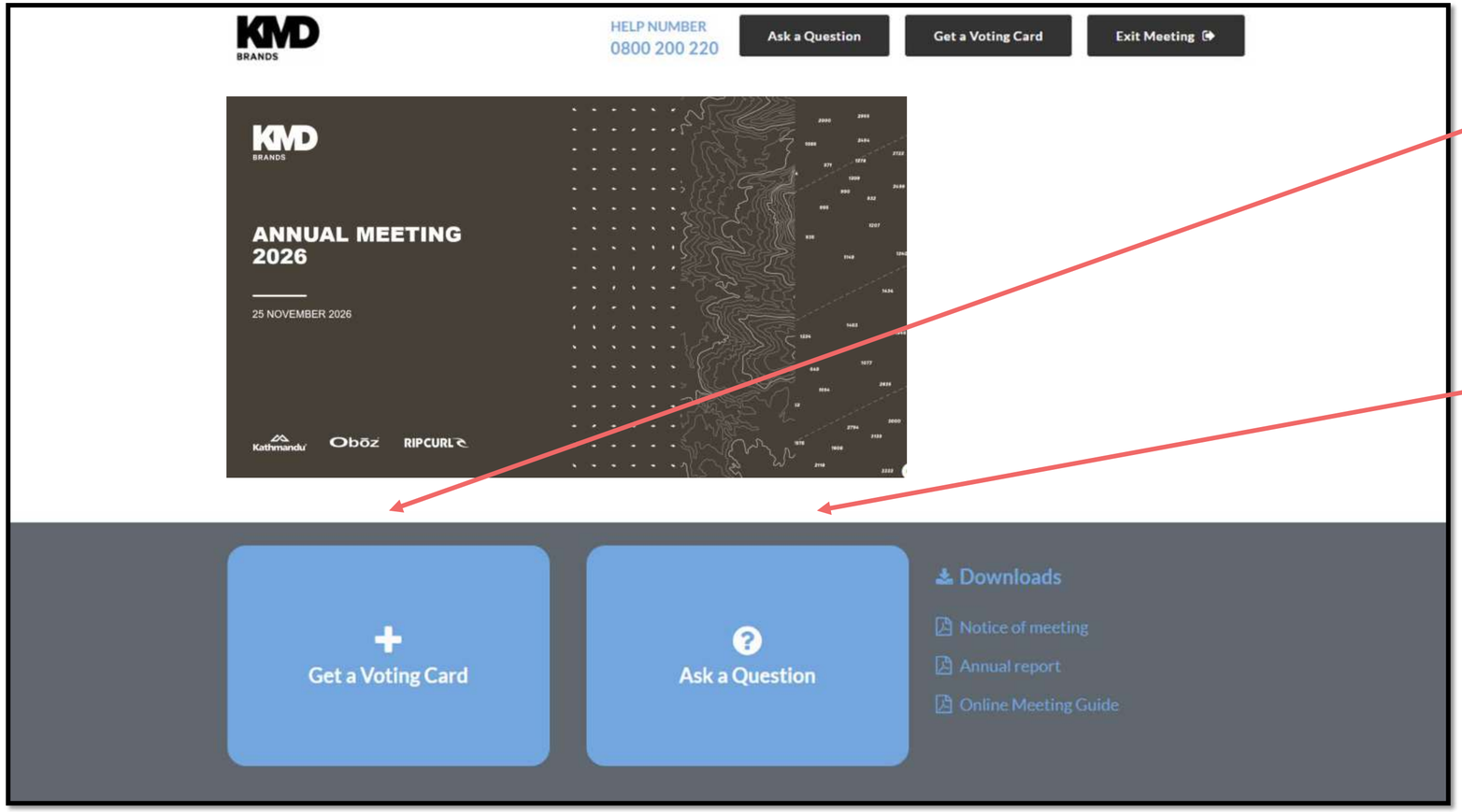
# VOTING AND REGISTRATION




To vote, you will need to click **“Get a Voting Card”** within the online meeting platform shown here

Please use the **"Ask a Question"** function, and your question will be conveyed to the meeting

# FY26 ANNUAL REPORT & IMPACT REPORT



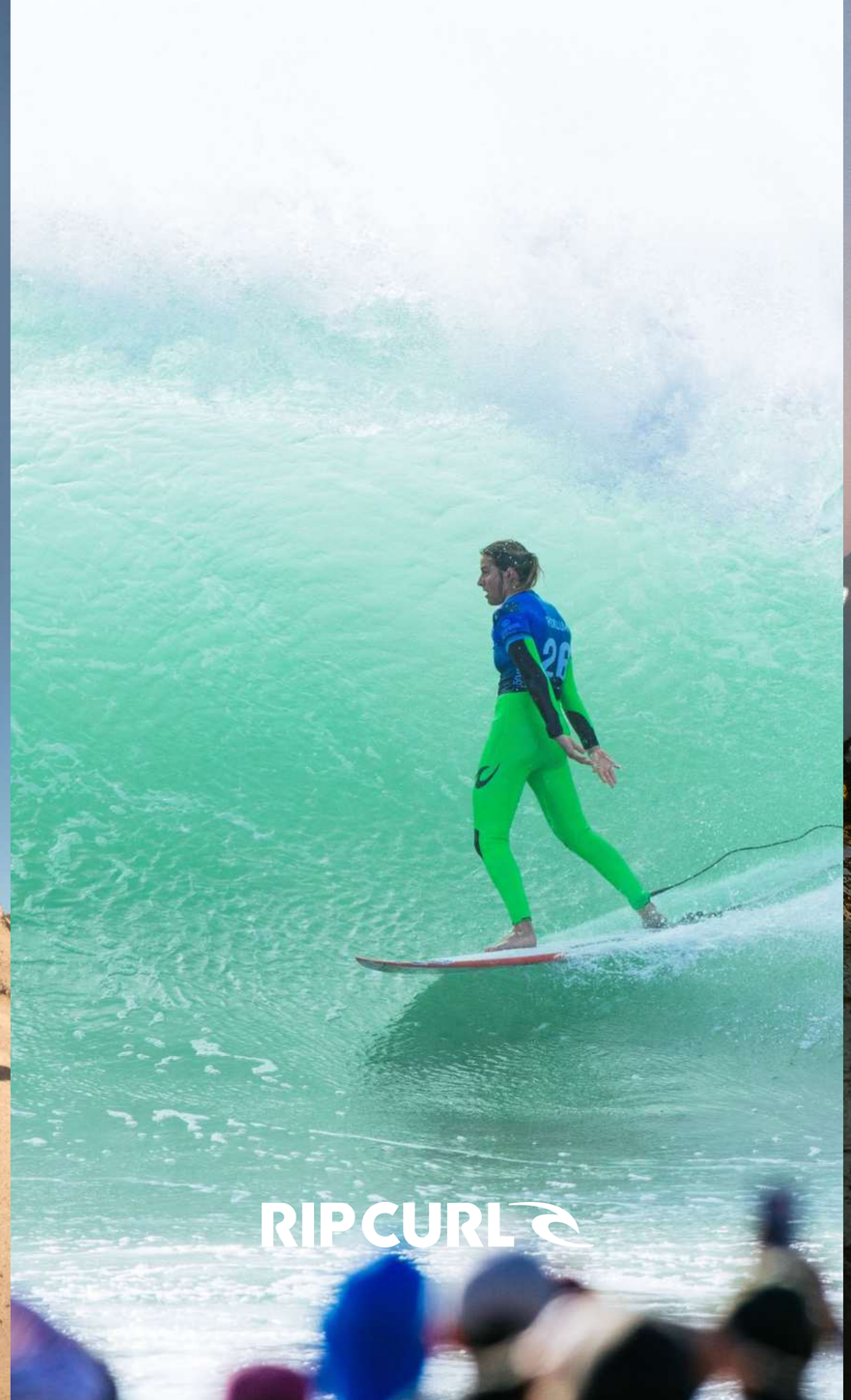



ITEM 1

# CHAIRMAN’S ADDRESS



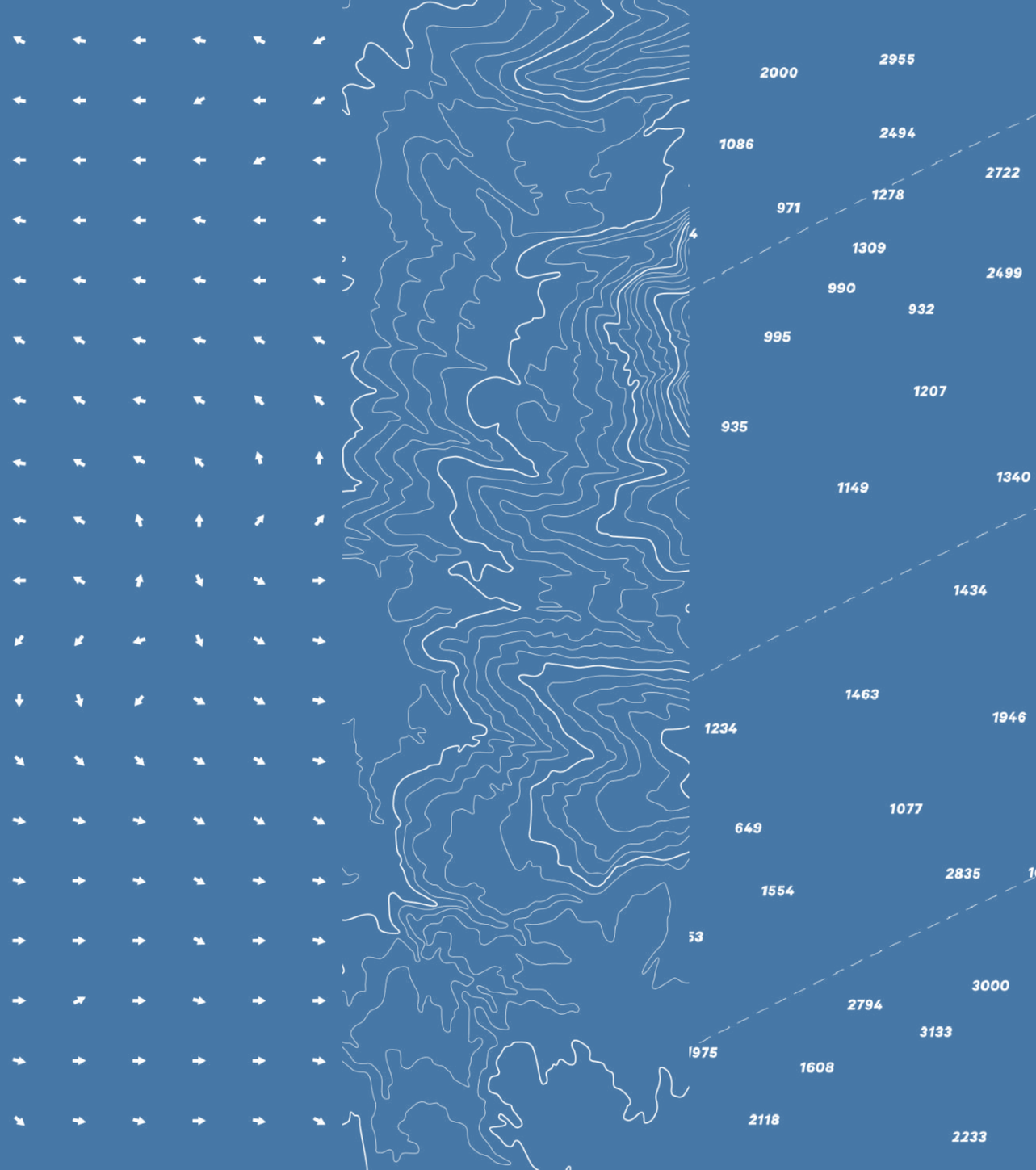

Kathmandu


RIPCURL


Obōz
FOOTWEAR

ITEM 2

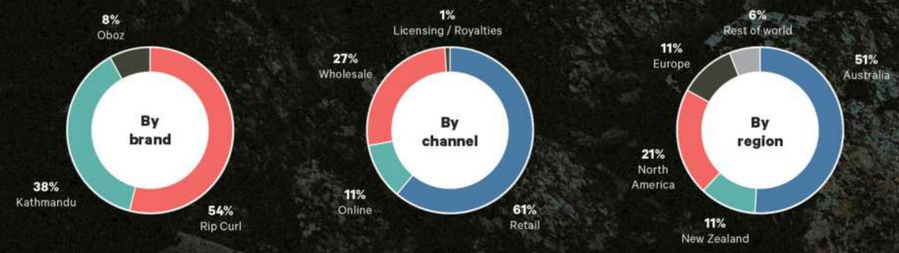
# GROUP CEO'S ADDRESS



# FY26 performance overview

| | FY26 | FY25 |
|---|---|---|
| Total sales | $1,053.0m ▲ | $989.0m |
| Gross margin | 57.7% ▲ | 56.5% |
| Underlying EBITDA[1] | $42.0m ▲ | $17.7m |
| Underlying NPAT Loss | -$9.0m | -$28.3m |
| Statutory NPAT loss | -$414.4m | -$93.6m |
| **NET DEBT BALANCE** | | |
| | $48.1m<br>c. $147m Bank facility headroom | $52.8m<br>c. $235m Bank facility headroom |

## SALES MIX FY26




1. Statutory results include the impact of IFRS 16 leases. The impacts of IFRS 16, restructuring, software as a service accounting, the notional amortisation of customer relationships, impairment and onerous contracts have been excluded from Underlying results. Refer to Appendix 1 of the FY26 Results Presentation for a reconciliation of Statutory to Underlying results.

## KATHMANDU

Kathmandu

**TOTAL SALES**
NZD **$402.3m**

**ONLINE SALES**
NZD **$57.1m**
representing 14.3% of direct-to-consumer sales

**SALES MIX**




## OBOZ

Obōz

**TOTAL SALES**
NZD **$79.5m**

**ONLINE SALES**
NZD **$9.8m**
+11.8% above last year

**SALES MIX**



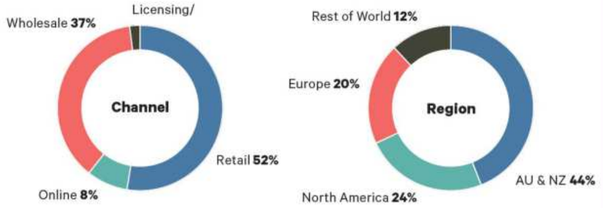

## RIP CURL

RIPCURL

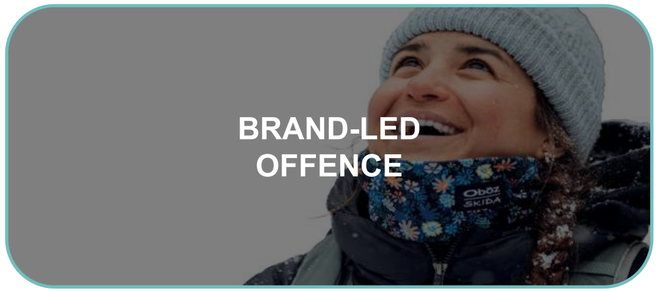
**TOTAL SALES**
NZD **$571.2m**

**ONLINE SALES**
NZD **$45.5m**
representing 13.3% of direct-to-consumer sales

**SALES MIX**



# OUR FINANCIAL RESULTS ARE UNDERPINNED BY OUR NEXT LEVEL STRATEGY…

| OUR STRATEGIC PRIORITIES | FY26 DELIVERED OUTCOMES | WHAT'S NEXT IN OUR 3-YEAR JOURNEY |
|---|---|---|
|  | ✓ Reset Kathmandu to focus on product innovation for the outdoor consumer.<br>✓ Rip Curl restructured product engine, SKUs rationalization and 'Next Gen' consumer reset.<br>✓ Reset Oboz brand to focus on the core hiking customer and accelerated offering to trail category. | → Consistent flow of seasonal product launches building on the trajectory from newness in FY26.<br>→ Strong digital growth across all 3 brands to start FY27, delivering ROI on platform investments.<br>→ Aligning store segmentation and product assortment to optimise financial performance. |
|  | ✓ Online technology platform delivered to enhance customer journey.<br>✓ Group ERP & HRM systems delivered to support broader growth trajectory.<br>✓ Inventory optimisation through automation and ways of working to enable further inventory efficiency. | → Further investment to accelerate online growth.<br>→ Productivity initiatives across the supply chain, automation and product returns.<br>→ Further expansion of demand forecasting tools to drive efficiency in inventory. |
|  | ✓ Disciplined delivery of next level cost savings in excess of target ($27.5m vs $25.0m target) with simplification of the org structure.<br>✓ Reset Kathmandu international business model and return Rip Curl US to profitability.<br>✓ Operational efficiency delivered through centralisation of the DC in Australia. | → Continued focus on right-sizing the store network against our evaluation framework.<br>→ Inventory health and improved stock turns a continued focus.<br>→ Growth opportunities will continue to be assessed against a rigorous ROI framework. |

# ...DELIVERING ON THE 'PROOF POINTS' THAT MATTER

| WHAT WE SAID | WHAT WE'VE DELIVERED | WHAT IS NEXT IN FY27 |
|---|---|---|
| **Reboot growth at the right level of profitability** | ✓ Grew revenue +6.5% YOY and continued effective gross margin management for all brands despite challenging macro conditions.<br>✓ Reset of International Operations for all three brands. | ► Deliver sustainable brand sales growth and continued gross margin expansion.<br>► Drive new Kathmandu international distributor model. |
| **Reset strategy on three core brands** | ✓ Faster product innovation, speed to market and storytelling, sharper channel right assortments. | ► Scaling product-led growth and channel discipline to build sustained brand momentum and margin improvement. |
| **Cost reset in FY26** | ✓ Delivered $27.5m cost savings in FY26, OPEX -0.2% on constant currency basis.<br>✓ Strategic growth investments moderated to $8.7m in year with ROI focus. | ► Continued assessment for simplification and cost savings including offshoring.<br>► Maintain cost growth in line with inflation. |
| **Store profitability** | ✓ Delivered on 17 closures in FY26. 11 in Rip Curl and 6 in Kathmandu. | ► On-going evaluation of stores against clear criteria to determine optimal profitability and ROI for store portfolio. 10 Rip Curl and 5 Kathmandu in FY27. |
| **Improved inventory management** | ✓ Inventory mix improved in FY26 while managing global supply chain disruption. | ► Working capital investment significantly lower than FY26 driving operating cashflow generation and further deleveraging. |
| **Review non-core assets** | ✓ Wind down of OnSmooth, first production run in partner wetsuit factory completed. | ► OnSmooth wind down completion in FY27.<br>► Right-sizing of Ozmosis post business review. |

# KMD BRANDS STRATEGY HOUSE FY26 - FY28

| | |
|---|---|
| PURPOSE | INSPIRING PEOPLE TO EXPLORE AND LOVE THE OUTDOORS. |
| VISION | TO BE THE LEADING FAMILY OF GLOBAL OUTDOOR BRANDS – DESIGNED FOR PURPOSE, DRIVEN BY INNOVATION, BEST FOR PEOPLE AND PLANET. |
| STRATEGIC PRIORITIES | BRAND-LED OFFENCE<br>ENABLED BY INTELLIGENT DECISION-MAKING<br>GOVERNED BY RESPONSIBLE FINANCIAL GUARDRAILS |
| GROWTH DRIVERS | ICONIC PRODUCT<br>INTEGRATED MARKETPLACE<br>DIGITAL |
| BEHAVIOURS | CONSUMER FOCUSED<br>ACCELERATED<br>DECISIVE |
| VALUES | ACCOUNTABILITY<br>INNOVATION<br>CONTINUOUS IMPROVEMENT<br>COACHING |

# KMD BRANDS STRATEGY HOUSE FY26 - FY28

| | |
|---|---|
| PURPOSE | INSPIRING PEOPLE TO EXPLORE AND LOVE THE OUTDOORS. |
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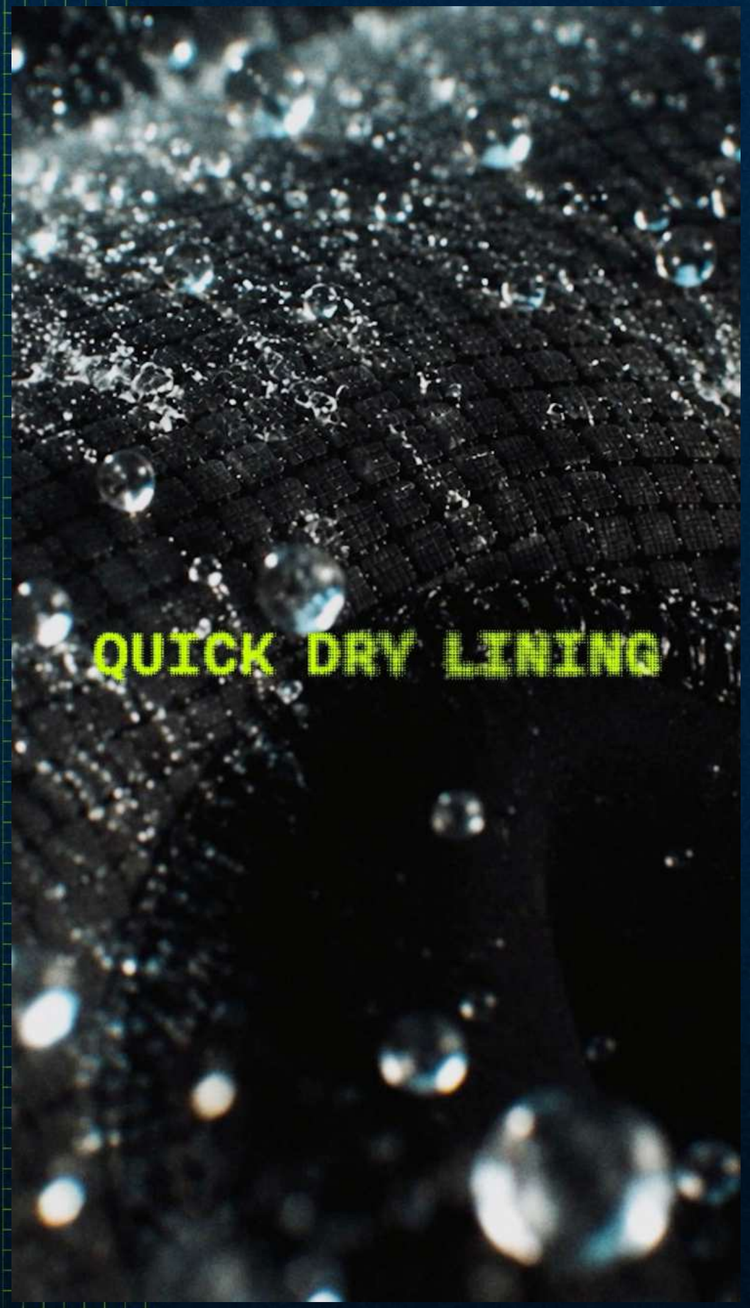
| VALUES | ACCOUNTABILITY<br>INNOVATION<br>CONTINUOUS IMPROVEMENT<br>COACHING |




# ELASTO

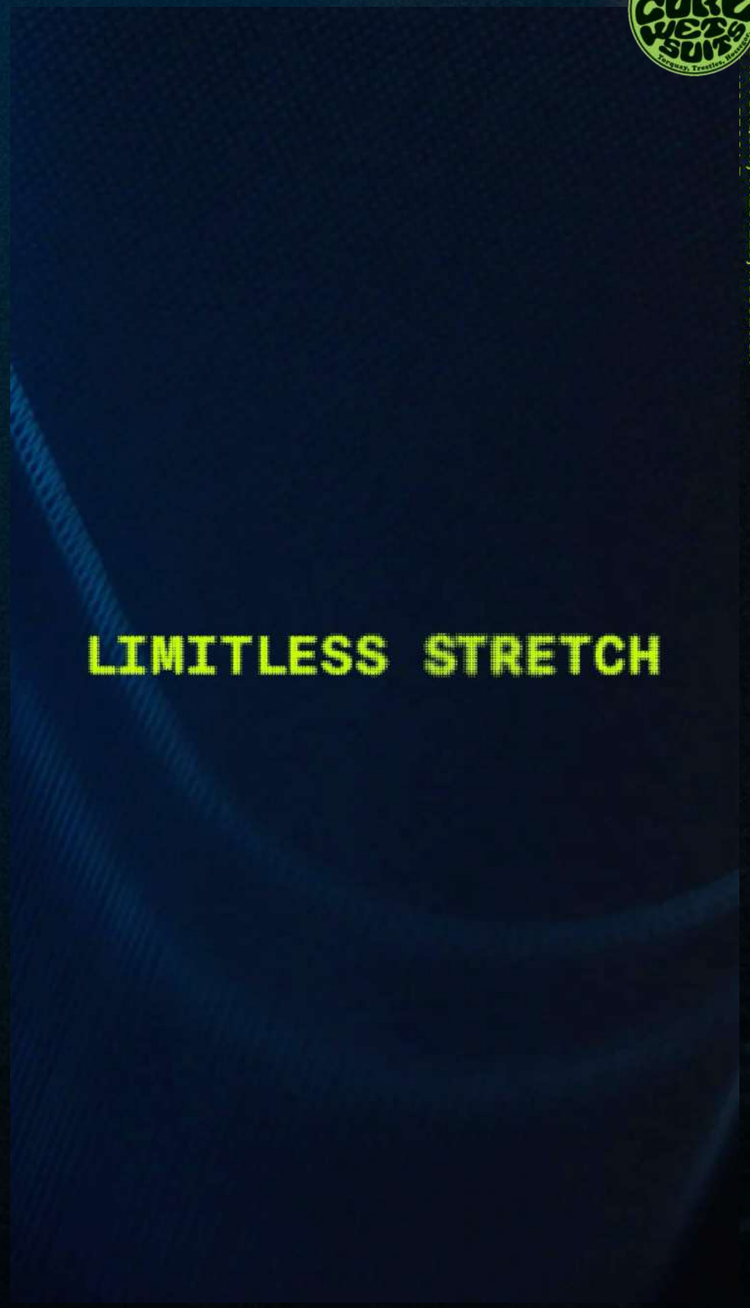
DESIGNED TO BE FORGOTTEN

RIP CURL WETSUITS
Torquay, Trestles, Hossegor.










THE ULTIMATE SUPER STRETCH WETSUIT
DESIGNED & TESTED IN TORQUAY, TRESTLES, HOSSEGOR
EST. 196

THE ULTIMATE SUPER STRETCH WETSUIT
DESIGNED & TESTED IN TORQUAY, TRESTLES, HOSSEGOR
EST. 196 153.5500' E













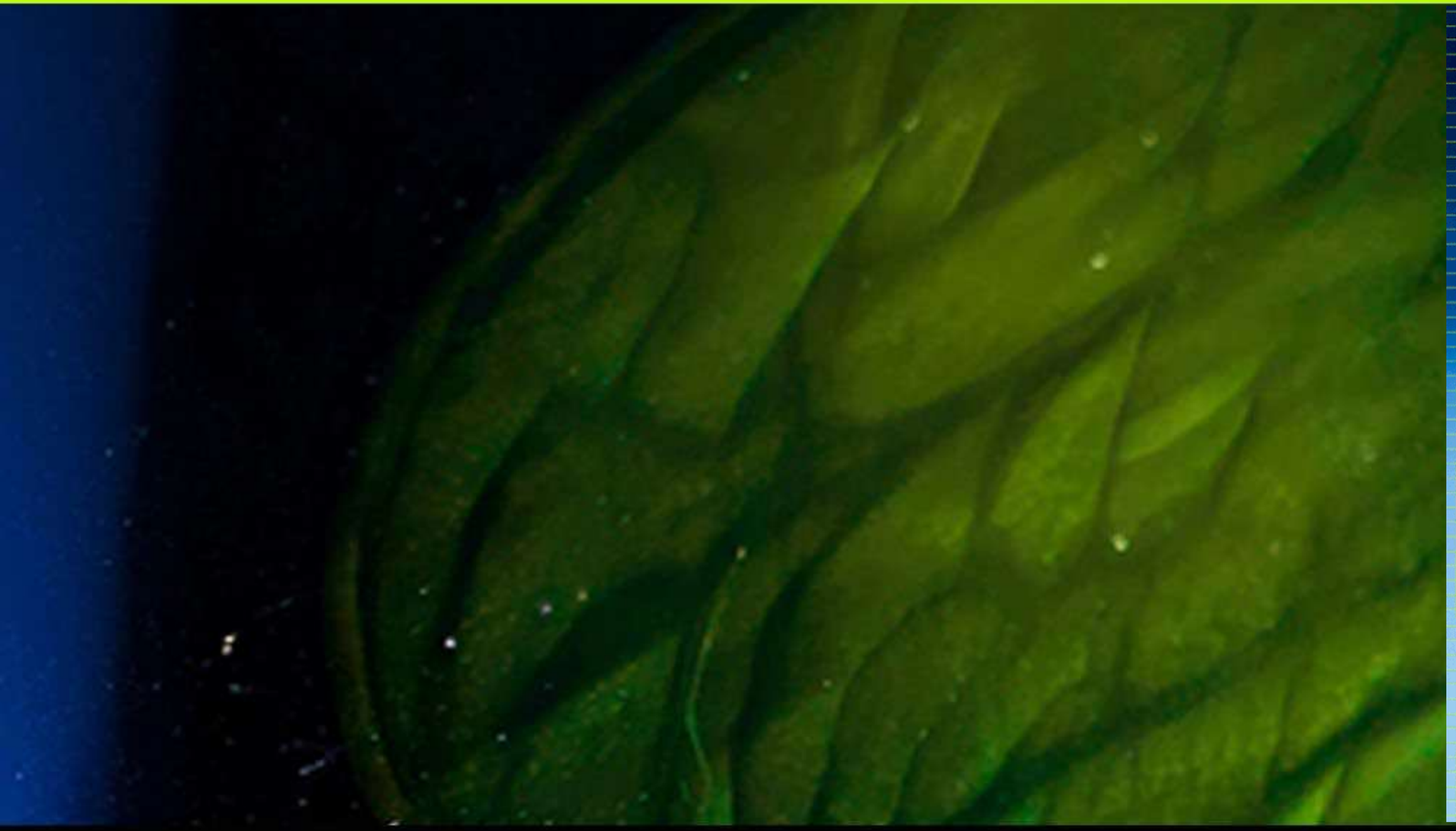






## SOMETHING IS COMING...

| 8 | 17 | 49 | 53 |
|---|---|---|---|
| Days | Hours | Minutes | Seconds |





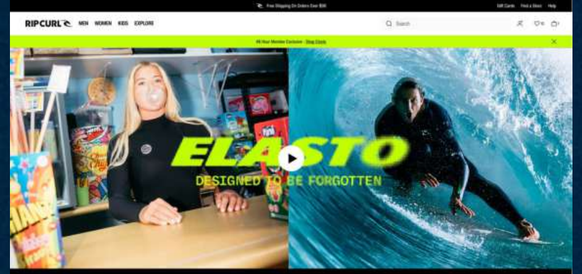

CLUB RIPCURL

Join today and earn points while shopping and surfing.

JOIN THE CLUB

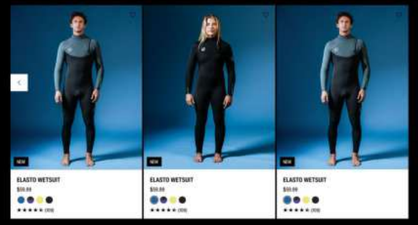
RIP CURL WETSUIT

THE ULTIMATE SUPER STRETCH WETSUIT
DESIGNED & TESTED IN TORQUAY, TRESTLES, HOSSEGOR
EST. 196
153.5500° E




ELASTO. DESIGNED TO BE FORGOTTEN.

It's taken a lifetime to create a wetsuit so stretchy, lightweight, and quick-drying you will forget it's on.







LIMITLESS STRETCH

Our Elastomax jersey, lightweight Infinity Foam and inner E-Dry thermal lining work as one to deliver ultimate flexibility and freedom of movement.




QUICK-DRY LINING

Made from 100% recycled materials, the new E-Dry Thermo Lining actively drains water away from the surface, making it touch-dry in under 30 minutes in typical conditions.






ULTRA LIGHTWEIGHT

New Infinity Foam through the upper body reduces weight and water retention, creating a significantly lighter suit for easier, less restricted surfing.

ADDITIONAL FEATURES



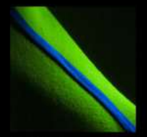
One Piece Boomerang Panel

A unique one-panel upper body design that removes seams from key paddle zones for greater freedom of movement.



Elastomax Jersey

Our new external jersey, critical to the Elasto's overall stretch. Offering superior flexibility with a soft hand-feel.



Infinity Foam

An ultra-lightweight foam used through the upper body that retains less water and reduces resistance when paddling.



E-Dry Thermo Lining

A lightweight inner lining that drains water quickly, helping the suit become touch-dry in under 30 minutes in typical conditions.

A wetsuit so light, stretchy and quick drying that you will forget it's on - Designed to be forgotten.





FIND YOUR ULTIMATE WETSUIT

Take our wetsuit quiz to find the perfect wetsuit.

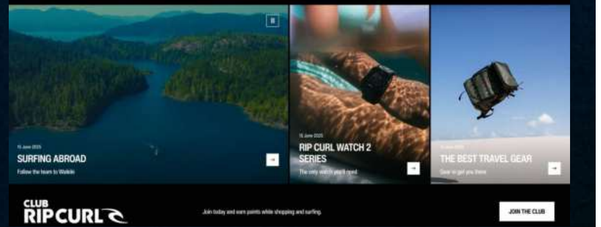
TAKE THE QUIZ

LIVE THE SEARCH

WETSUITS ON THE SEARCH

Lorem ipsum dolor sit amet consectetur. Egestas lobortis pharetra facilisis maecenas.

READ ALL ARTICLES

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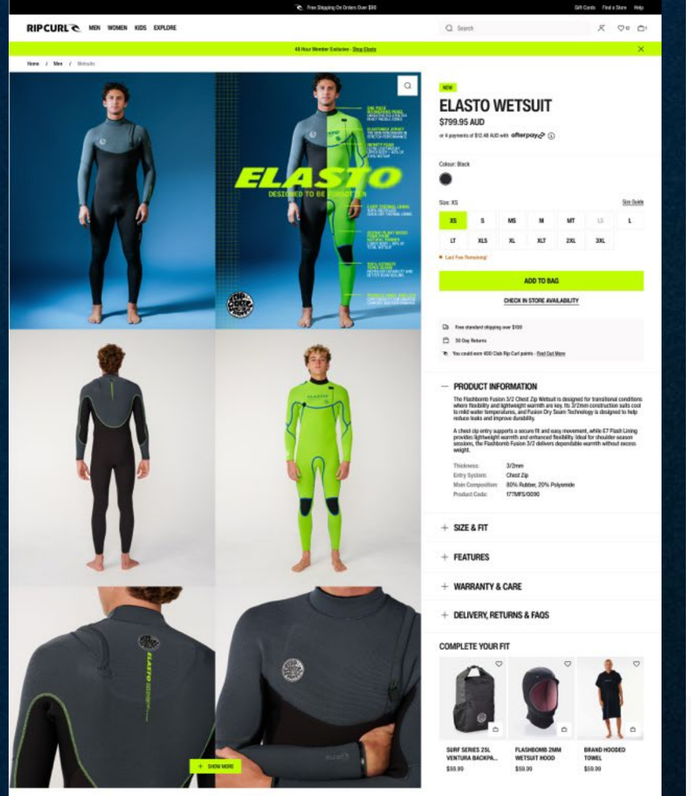



ELASTO WETSUIT

Ultra lightweight. Unrestricted stretch. Quick dry lining.




ONE PIECE BOOMERANG PANEL

A unique one-piece panel that removes seams from across your shoulders for unrestricted paddling and ultimate comfort.

ELASTOMAX JERSEY

Our new external jersey, critical to the Elasto's overall stretch. Offering superior flexibility with a soft hand-feel.

INFINITY FOAM

An ultra-lightweight foam used through the upper body that retains less water to create our lightest wetsuit ever.

E-DRY THERMAL LINING

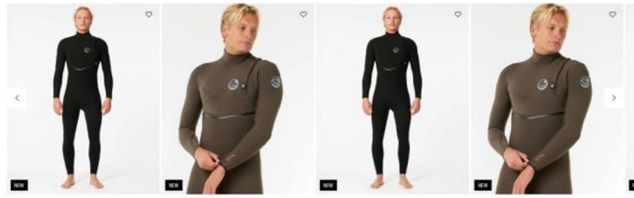
A lightweight inner lining, made from 100% recycled materials, designed to drain water quickly, helping the suit become touch-dry in under 30 minutes in typical condit...



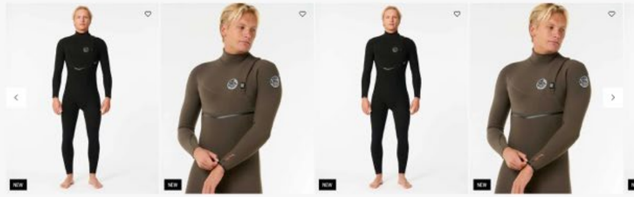




CUSTOMERS ALSO VIEWED




RECENTLY VIEWED

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HELP

Frequently Asked Questions
Shipping & Tracking
Returns Policy
Warranty & Care
Size Guides
Watch Instructions
Watch & Wetsuit Repairs
Contact Us

QUICK LINKS

About Rip Curl
Surf Schools
Gift Card Balance
Careers at Rip Curl
Rip Curl Planet
Find a Store
International Sites

Rip Curl is a company for, and about, the crew on The Search. The products we make, the events we run, the riders we support, and the people we reach globally, are all part of the Search that Rip Curl is on.

Certified B Corporation

BACK TO TOP

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AU

THE ULTIMATE SUPER STRETCH WETSUIT


BREATHABLE INSULATION.
So Hot Right Now.
GORE-TEX®
INVISIBLE FIT
vibram
ICETREK
Solarcore®
BRANDS & PRODUCTS
ISPO
AWARD
2025
Winner


We didn't make it
TO FASHION WEEK


ONE WAY
COMPANY
PARAGON SPORTS
22 BROADWAY
20 YEARS
We did not make it to FASHION WEEK.
Obōz
TRUE TO THE TRAIL
WE FOUND A PLACE ON THE UPPER UPPER East Side.
Obōz
TRUE TO THE TRAIL


Save 10% — when you buy 3 or more full-price socks
Obōz
IT'S ALWAYS A THRILL TO WALK the Red Carpet.
TOOTH Arrow
CASTLETON TOWER, MOAB, UT
Obōz
TRUE TO THE TRAIL
LIGHTWEIGHT, BREATHABLE, DURABLE.
Ready to Wear.
Obōz
TRUE TO THE TRAIL


Obōz


NEW YORK
FASHION
WEEK
THE BUREAU


Pine Creek
LODGE
Obōz
TRUE TO THE TRAIL
We didn't make it to
FASHION WEEK


Kathmandu®


It's Puffer Time!
Welcome to warm.
Explore puffers


7:53
Kensington
Cold enough for ya?
IT'S PUFFER TIME
SHOP NOW
Kathmandu
Possible shower
12.9°
Feels like 10.6°
Home
Radar
Graphs
Calendar

# TRADING UPDATE

## FIRST QUARTER FY27

| TOTAL SALES CHANGE YOY[1] (unaudited) | Q1 FY27 *Aug 26 to Oct 26* |
|---|---|
| Rip Curl | +0.8% |
| Kathmandu | +10.2% |
| Oboz | -19.5% |
| **Group** | **+1.6%** |

1. *Total sales for Q1 FY27 benefit by approximately +5% from the year-on-year movement in exchange rates used to convert Rip Curl AUD and Oboz USD results to the Group NZD reporting currency.*
2. *At constant exchange rates.*

## TRADING UPDATE

- Direct-to-consumer ("DTC") same store sales (including online)[2] +3.1% for the 14 full weeks ended 1 November 2026:
  - Rip Curl +2.5% YoY (excluding Ozmosis). Ozmosis same store sales were -11.1% YoY.
  - Kathmandu +5.8% YoY.
- DTC Retail continues to be impacted by an Australian consumer focused on value.
- Group digital revenue growth of 25.5% heading into the key trading period.
- Kathmandu sales momentum continued, supported by the enablement of ship from store and a strong NZ marketplace.
- Rip Curl 'Next Gen' product is progressively available in Q2 in support of peak sales trade period.
- Oboz wholesale sales were down as planned due to the relocation of the distribution centre. Q2 is anticipated to return to growth.
- Group gross margin of 57.3% has expanded (+140bps YoY) as anticipated. Kathmandu was impacted by new season product delays, an ongoing focus on inventory optimisation and clearance access enabled by the roll out of ship from store. Rip Curl margin growth across all channels including Ozmosis.
- Oboz and Rip Curl wholesale order books remain in-line with prior year.
- Depreciation of the New Zealand dollar continues to create headwinds impacting operating costs, finance costs and net debt, which the Group continues to manage.



# THANK YOU

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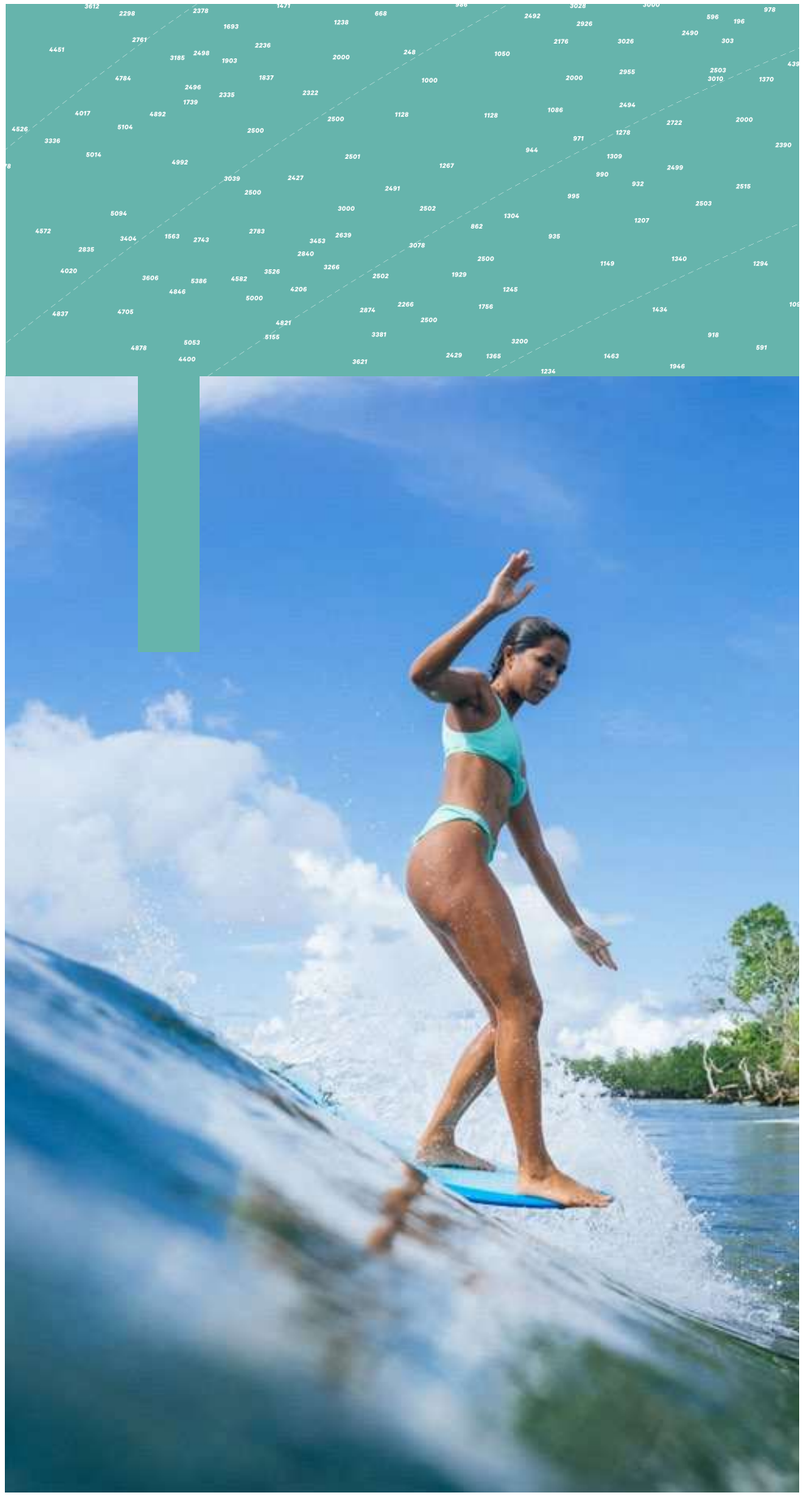
KMD BRANDS

# Impact Report **2026**







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Certified B Corporation

This report outlines our social and environmental performance for the year ending 31 July 2026. We have prepared this report with reference to the International <IR> Framework. This communicates the full range of factors affecting our ability to create value over time, and our commitment to transparency and robust disclosure of Environmental, Social and Governance (ESG). Non-financial information is reported with reference to the Global Reporting Initiative (GRI) Universal Standards. For FY26, verification of our Scope 1, Scope 2 and Scope 3 emissions has been completed by Toitū Envirocare subject to a limited assurance engagement. Apart from our carbon emissions data, external assurance on non-financial data and information has not been obtained.

KMD Brands acknowledges Tangata Whenua, the Indigenous Nations, First Peoples and Custodians of the lands and waterways on which our brand head offices reside in New Zealand, Australia and the United States. We pay our respects to their Elders past and present.



# OVERVIEW

# 02

# Message from the Executive

**At KMD Brands, our purpose is to inspire people to explore and love the outdoors. Protecting the places where we recreate, supporting the people who make our products and operating responsibly are central to that purpose. These commitments guide how we develop our brands, work with our partners and make decisions.**

We recognise that responsible business is not about reaching a fixed point of completion. It is about making progress, being accountable for our performance and continually raising our standards, even when market conditions make this more challenging.

While we have made important advances across our environmental and social priorities, there is always more work to do.

## Our approach to reporting

For FY26, we have published a standalone Impact Report following the release of our Annual Report in September 2026. The report brings together our environmental and social impact reporting, including progress against our ESG strategy, climate-related information and modern slavery disclosures. While our reporting structure has changed, we have retained the principles of integrated reporting, including a focus on how environmental, social and governance considerations connect with our strategy, decision-making and long-term value creation.

We continue to report with reference to the Global Reporting Initiative (GRI) Standards to support transparency and provide stakeholders with a clearer understanding of our impacts and performance. Our reporting suite also includes our Modern Slavery Statement, and an update on the climate-related matters most relevant and material to our business and stakeholders, providing a broader view of our commitments, progress and ongoing responsibilities.

## Raising the bar on responsible business

A significant milestone in FY26 was the completion of our Group B Corp recertification under B Lab's new standards framework. Kathmandu, Rip Curl and Oboz all achieved certification under the new standards, building on Kathmandu's initial certification in 2019 and the certification of Rip Curl and Oboz in 2023.

The new framework represents a more rigorous approach to assessing business performance. It introduces mandatory requirements across impact areas, with greater emphasis on accountability, governance, climate, human rights and continuous improvement. Independent third-party assurance and ongoing oversight strengthen the framework's focus on how businesses operate in practice, rather than relying on a periodic assessment alone.

We see B Corp certification as an important tool for embedding responsible business practices into our decisions and operations. Achieving certification under the new standards is an important milestone, but maintaining it requires continued commitment, transparency and improvement.

## Connecting financing with sustainability outcomes

Since FY22, our sustainability-linked loan has connected a portion of our borrowing facilities to performance against key environmental and social targets. This reflects our view that sustainability performance is closely linked to long-term business resilience and value creation.

In FY26, we achieved all four sustainability performance targets under our sustainability-linked loan, covering Scope 1 and 2 emissions, Scope 3 emissions, B Corp certification, and supply chain accountability and transparency. This achievement triggered the corresponding interest rate reduction under the facility.

Following our 2025 materiality assessment, we have also refreshed our sustainability-linked targets to better reflect the issues most relevant to our business and stakeholders.

The updated framework strengthens our focus on supply chain due diligence outcomes and introduces a water management target for supplier facilities in high and very high water-risk regions. Our climate commitments remain central, alongside maintaining B Corp certification under its more fulsome standards.

By linking financing to defined sustainability outcomes, we create an additional incentive to deliver progress and strengthen accountability to our lenders and other stakeholders.

## Progress in materials and supply chain performance

Improving the materials used in our products remains an important priority. Our brands are progressing responsible materials strategies that consider durability, performance and opportunities to extend product life, while reducing environmental impacts.

Kathmandu continues to build on its leadership in responsible materials, continuing to achieve its goal of sourcing 100% of its wool to the Responsible Wool Standard (RWS). Across apparel and equipment, 41% of polyester came from recycled sources, including 56% of apparel polyester and 20% of equipment polyester. Overall, recycled input materials accounted for 25% of total material use by weight. Building on this progress, Kathmandu has refreshed its goals across materials, chemistry and transparency, including transitioning away from virgin fossil-based synthetic fibres towards responsibly produced alternatives, improving the sourcing of natural fibres and expanding product and supply chain traceability.

Rip Curl has spent four years, from 2022 to 2026, progressing its responsible materials work significantly. In FY26, preferred materials accounted for 83% of materials used across its apparel and accessories, moving the brand closer to its 2030 goal of 100% - in 2022 the brand sat at just 30%. Recycled input materials accounted for 15% of total material use. These results reflect continued work to improve material choices while meeting the performance requirements of products designed for life in and around the ocean.

At Oboz, we continued to progress work on PFAS, a group of chemicals of concern because of their persistence in the environment. Addressing PFAS in footwear requires careful consideration of the materials and treatments used, alongside the durability and performance customers expect. This work is part of our broader focus on understanding and reducing the environmental impacts of our products.

We are also placing greater emphasis on environmental performance across our supply chain. Understanding the environmental impacts of the facilities that manufacture our products is essential to identifying risks and opportunities for improvement. In FY26, 169 Tier 1 and Tier 2 factories reported verified environmental performance data, up from 136 in the previous year. Building this visibility helps us better understand performance across our supply chain and work with partners towards more responsible practices.

## Looking ahead

Our progress in FY26 provides a foundation for the next stage of our work, but we recognise that certification, targets and reporting are means to an end, not the end in themselves. The challenge is to turn greater accountability and improved data into practical changes across our brands, operations and supply chain.

We will continue to strengthen our understanding of our impacts, work collaboratively with our suppliers and partners, and measure our performance against clear commitments. We will also remain transparent about where we are making progress and where further improvement is needed.



**Brent Scrimshaw**
**Group CEO & Managing Director**



**Frances Blundell**
**Chief Legal & ESG Officer**

# FY26 Group impact highlights

Certified B Corporation

**KMD Brands has successfully recertified as a B Corporation under B Lab's enhanced certification standards, reaffirming our commitment to operating as a business that creates positive environmental and social impact alongside financial performance. KMD Brands is also part of the first cohort of companies globally to adopt the Version 2 standards for B Corp Certification.**

Recertification is an important milestone because it provides independent verification of how we manage our impacts, govern our business and deliver value for our stakeholders. The process requires transparency, accountability and rigorous assessment across a broad range of environmental, social and governance criteria.

This achievement reflects the collective effort of teams across KMD Brands and all of our brands, each of which continues to advance its own sustainability priorities while contributing to our shared commitments. While we are proud to have achieved recertification, it is part of our ongoing journey of continuous improvement and raising the standard of our performance over time.



**1,903**
Community volunteer hours



**76%**
Operational waste diverted from landfill



**15.7mt**
of post-consumer garment waste recycled through in-store take-back programmes

**169**
Factories across Tier 1 and 2 reporting verified environmental performance data



**9**
Factory sites consulted on workplace conditions across India



**-19%**
Reduction from prior year across scope 1 and 2 (location-based) emissions for the group

**NZD$841k**
Cash and product donations

C&ESG Scorecard for 2025
FORSYTH BARR
Company ticker: **KMD**
**A**
Leader

**Achieved**
all four Sustainability Performance Targets (SPTs) for the FY26 reference period




**3,865**
Styles uploaded into the Worldly Product Impact Calculator (PIC) to gain insight of our product footprint

# Our group

KMD Brands is a family of outdoor brands dedicated to designing products for purpose, driven by innovation and committed to being the best for people and the planet. Our products are specifically crafted for the outdoors and rigorously tested by experts in real-world conditions. As the parent company, KMD Brands provides vision and strategic guidance to Kathmandu, Oboz and Rip Curl. By sharing expertise in technology, research and development, and by leveraging operational excellence in sourcing, supply chain and systems, we deliver the best customer experience across our brands.

## PURPOSE

**INSPIRING PEOPLE TO EXPLORE AND LOVE THE OUTDOORS.**

## VISION

**TO BE THE LEADING FAMILY OF GLOBAL OUTDOOR BRANDS – DESIGNED FOR PURPOSE, DRIVEN BY INNOVATION, BEST FOR PEOPLE AND PLANET.**

# Our brands

Kathmandu

Kathmandu's journey began in Aotearoa New Zealand 40 years ago. We're on a mission to improve the wellbeing of the world by getting more people outdoors – because nature has a positive transformative effect on us all. The outdoors makes us happier, more open, free and fun. Our vision at Kathmandu is to be the world's most loved outdoor brand.

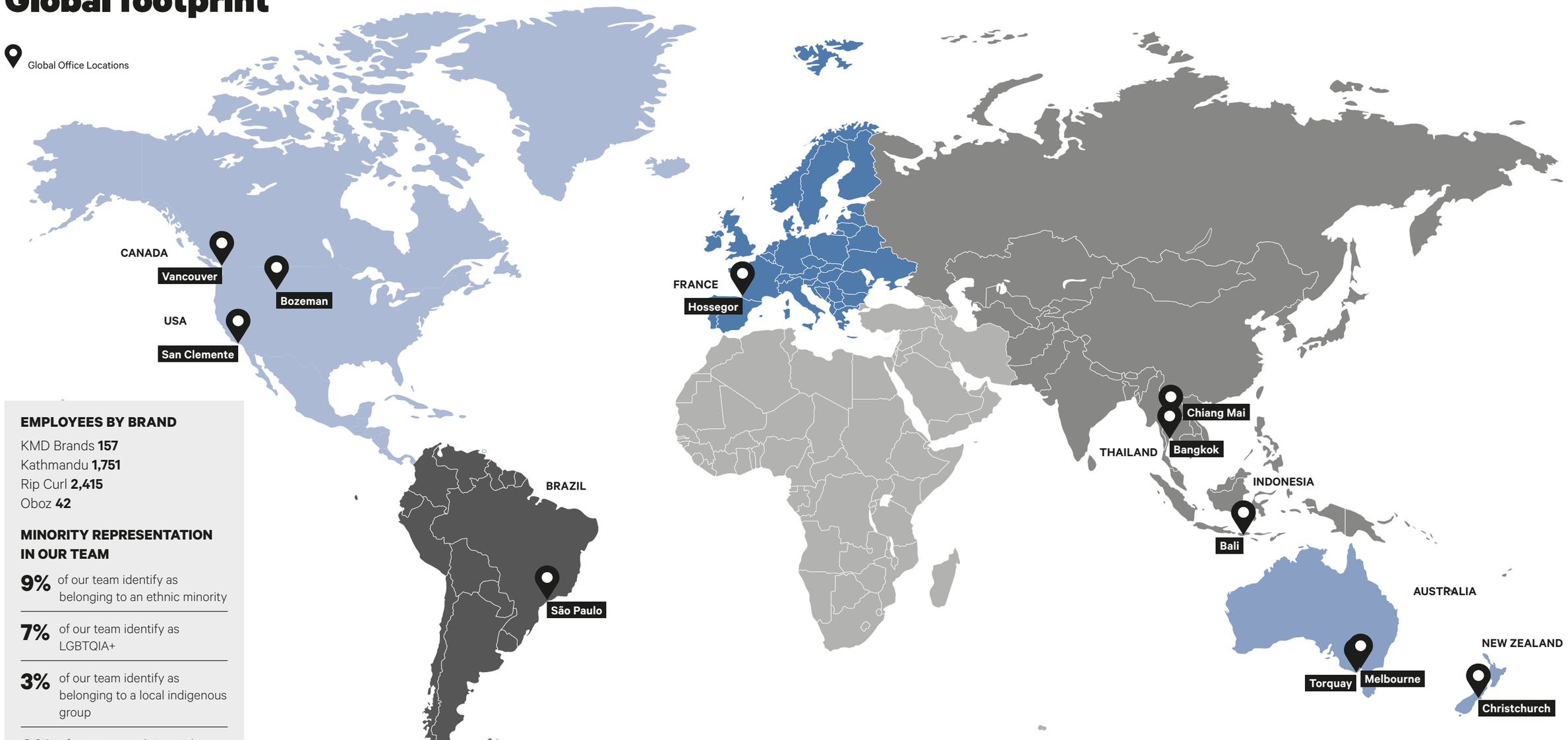
Oboz

Born in the legendary Greater Yellowstone Ecosystem, just outside our front door, the mountains near Bozeman beckon us. This 10-million acre laboratory is where we test our designs and draw inspiration for new ideas. It's where we immerse ourselves in nature's wonders. It even inspired our name "Oboz" (Outside + Bozeman = Oboz).

RIP CURL

Founded in 1969 in Bells Beach, Australia, Rip Curl is the Ultimate Surfing Company. For almost 60 years, we have led the surfing market and become synonymous with surf culture. 'The Search' – the relentless pursuit of the perfect wave – lives in the spirit of everything we do. Our vision is to be the Ultimate Surfing Company in all that we do.

# Global footprint




### EMPLOYEES BY BRAND

KMD Brands **157**
Kathmandu **1,751**
Rip Curl **2,415**
Oboz **42**

### MINORITY REPRESENTATION IN OUR TEAM

**9%** of our team identify as belonging to an ethnic minority

**7%** of our team identify as LGBTQIA+

**3%** of our team identify as belonging to a local indigenous group

**9%** of our team are living with a health condition

Results based on 2,880 survey responses received from employees as part of the KMD Brands Global FY26 Engagement Survey.

| NORTH AMERICA | TOTAL |
|---|---|
| Owned stores | 26 |
| Licensed stores | 27 |
| Wholesale doors | +3,900 |
| Employees | 381 |
| Tier 1 factory partners | 2 |
| Tier 1 social assessments reviewed | 2 |

| SOUTH AMERICA | TOTAL |
|---|---|
| Owned stores | 6 |
| Licensed stores | 107 |
| Wholesale doors | +800 |
| Employees | 69 |
| Tier 1 factory partners | 12 |
| Tier 1 social assessments reviewed | 12 |

| AFRICA & MIDDLE EAST | TOTAL |
|---|---|
| Licensed stores | 37 |
| Employees | 0 |
| Tier 1 factory partners | 0 |
| Tier 1 social assessments reviewed | 0 |

| EUROPE | TOTAL |
|---|---|
| Owned stores | 32 |
| Licensed stores | 10 |
| Wholesale doors | +1,900 |
| Employees | 308 |
| Tier 1 factory partners | 5 |
| Tier 1 social assessments reviewed | 1 |

| ASIA | TOTAL |
|---|---|
| Licensed and JV stores | 72 |
| Wholesale doors | +300 |
| Employees | 383 |
| Tier 1 factory partners | 128 |
| Tier 1 social assessments reviewed | 128 |

| AUSTRALASIA | TOTAL |
|---|---|
| Owned stores | 254 |
| Licensed stores | 20 |
| Wholesale doors | +900 |
| Employees | 3,224 |
| Tier 1 factory partners | 4 |
| Tier 1 social assessments reviewed | 2 |

# Governance at KMD Brands

**At KMD Brands, our purpose is to inspire people to explore and love the outdoors. This purpose drives our vision to be the leading family of global outdoor brands – designed for purpose, driven by innovation, best for people and planet.**

Led by highly experienced non-executive directors and a capable management team, KMD Brands has a clear purpose and vision, and a defined corporate strategy. Our well-established policies and goals support sustainable development and our commitment to responsible business practices. Kathmandu became a certified B Corporation in 2019, recertified in 2023 and again under B Lab's new standards in 2026. Rip Curl and Oboz achieved B Corp Certification for the first time in 2023 and also achieved recertification under the new standards in 2026.

The new standards represent a significant evolution in B Corp Certification. Rather than relying on a points-based assessment undertaken every three years, the new framework requires companies to meet mandatory performance requirements across a range of governance, social and environmental topics, supported by ongoing oversight, annual reviews and continuous improvement obligations. The result is a more rigorous and credible certification that is focused on embedding responsible business practices into day-to-day operations and decision-making.

B Corp Certification provides a practical framework for managing our environmental, social and governance (ESG) impacts. As a business, we consider the impact of our decisions on shareholders, employees, customers, communities, the environment and workers in our global supply chain. This approach supports better decision-making, helps us identify and manage risks and opportunities, and strengthens accountability and transparency across the Group.

Unlike many reporting frameworks, the B Corp process evaluates and independently verifies how a company operates in practice. The certification process requires ongoing assessment of governance, policies, performance and outcomes, creating a structured pathway for continuous improvement. This helps us reduce negative impacts, create long-term value and build a resilient business that is prepared for evolving stakeholder expectations and regulatory requirements.

Our Group Code of Ethics and policy framework set expectations for responsible business conduct across KMD Brands. We aim to integrate environmental, social and governance considerations into the way we operate, innovate and make decisions. Our culture of innovation helps ensure new products respond to customer needs, improve business performance and minimise adverse social and environmental impacts where possible.

We believe this approach supports long-term business success. By considering the interests of our stakeholders alongside financial performance, we can strengthen our brands, manage risk more effectively, respond to changing customer expectations and create sustainable value over time. These principles align with our purpose and vision. Getting people outside and enjoying the outdoors is at the heart of all our brands, and B Corp Certification provides a recognised framework that helps us deliver on that purpose in a practical and accountable way.

KMD BRANDS

Certified B Corporation



# Board of Directors

**The Board provides overall strategic oversight of KMD Brands, including adherence to best-practice governance principles, maintenance of high ethical standards and protection of core values so that the Group is managed effectively and responsibly. A brief biography of each Board member can be found in the "Board and Management" section of the company's investor website. John Strowger joined the Board in July 2026, with Ian Morrice appointed in August 2026 following the close of FY26.**



### Philip Bowman

**Chairman**
**– appointed May 2026, succeeding David Kirk**
Appointed as a non-executive director 2 October 2017



### Brent Scrimshaw

**Group CEO & Managing Director**
Appointed 2 October 2017



### Abby Foote

**Non-Executive Director**
Appointed 15 October 2021



### Andrea Martens

**Non-Executive Director**
Appointed 1 August 2019



### John Strowger

**Non-Executive Director**
Appointed 1 July 2026



### Ian Morrice

**Non-Executive Director**
Appointed 20 August 2026

# Executive team

**The management team takes care of the day-to-day management and operation of KMD Brands, regularly reporting to the Board on all aspects of group performance. A brief biography of each member of the management team can be found in the "Board and Management" section of the company's investor website.**



### Brent Scrimshaw

**Group CEO & Managing Director**
Joined KMD Brands in 2025



### Carla Webb-Sear

**Group Chief Financial Officer**
Joined KMD Brands in 2025



### Jonas Golze

**Group Chief Operations Officer**
Joined KMD Brands in 2025



### Frances Blundell

**Chief Legal & ESG Officer**
Joined Kathmandu in 2017



### Megan Welch

**Chief Executive Officer, Kathmandu**
Joined Kathmandu in 2023



### Ashley Reade

**Chief Executive Officer, Rip Curl**
Joined Rip Curl in 2025



### Amy Beck

**President Oboz & KMD Brands, North America**
Joined Oboz in 2019



# GROUP IMPACT

# 09

# Our approach to material topics

**Building on our updated materiality assessment completed in March 2025 and the publication of our refreshed Materiality Matrix in our FY25 report, we have continued to focus on the issues that matter most to our stakeholders throughout FY26.**

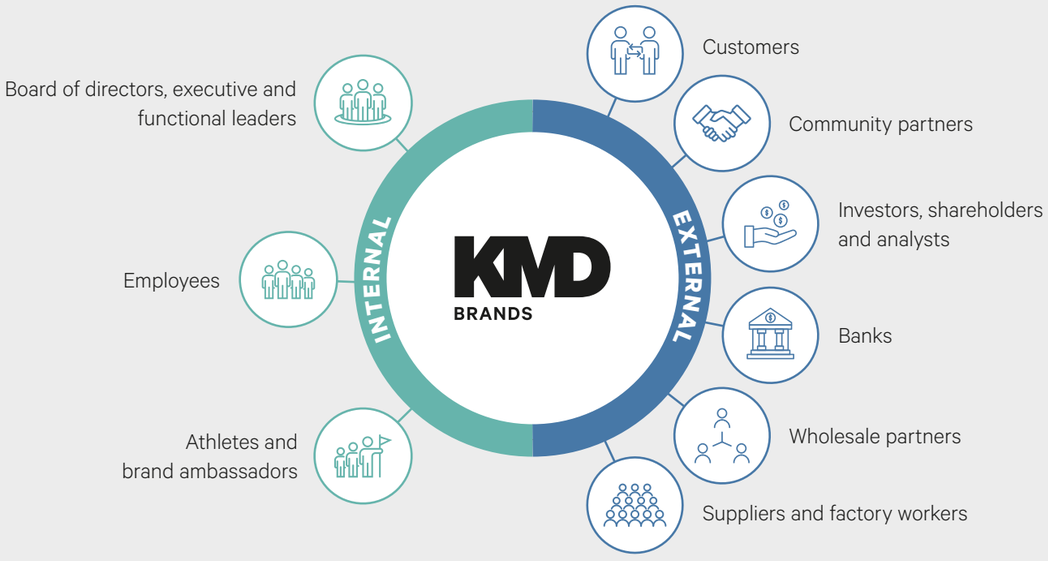
Through ongoing stakeholder engagement, we seek to ensure our ESG strategy remains aligned with external expectations while reflecting our values, purpose and business priorities. These priorities are integrated into business strategy, governance, risk management and day-to-day decision-making, and are embedded across our ESG strategy, brand strategies, operational priorities and governance frameworks.

Our highest-priority environmental topics, including **Harmful substances, Responsible design and materials, Climate change, energy and emissions,** and **Biodiversity, water, waste and environmental protection**, are advanced through our brand preferred material goals, circular design principles, restricted substances and PFAS management policies, supplier environmental data programmes, and our Science Based Targets initiative (SBTi) and Sustainability Linked Loan (SLL) commitments. Together, these initiatives support lower-impact products and more circular business models.

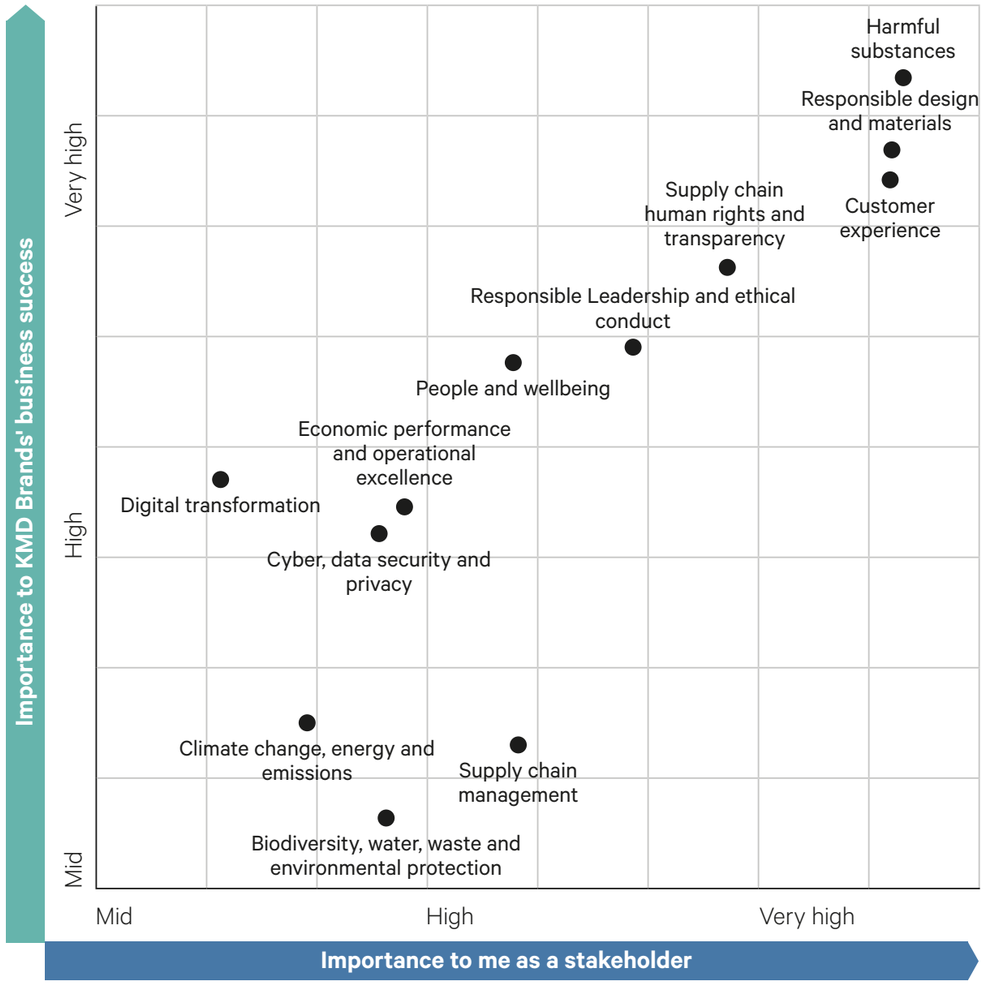
**Supply chain human rights and transparency** and **Supply chain management** are embedded within our responsible sourcing, supplier compliance and due diligence programmes, which is the focus of our Modern Slavery Statement (see page 36), as well as the operational priorities under our Next Level strategy. This helps strengthen transparency, accountability and resilience across our global supply chain.

Our commitment to **Responsible Leadership and ethical conduct** is reflected through strong governance practices and oversight mechanisms, that reinforce consideration of stakeholder interests in decision-making. **People and wellbeing** also remains a strategic priority, supported through our People policies and strategies, as well as internal diversity, equity, inclusion and wellbeing initiatives.

## KMD STAKEHOLDERS




## MATERIALITY MATRIX




Our broader business strategy also supports a number of material topics. **Customer experience**, improving **Economic performance and operational excellence** are key initiatives within our Next Level strategy, helping balance sustainability objectives with commercial performance, innovation and long-term value creation. Our **Digital transformation** agenda is further supported through the strategic focus on digital capability and data intelligence.

Recognising the growing importance of technology and responsible information management, our approach to **Cybersecurity, data security and privacy** is supported through regular Board and Audit and Risk Committee oversight, alongside dedicated policies, controls and employee training.

By aligning our material topics with clear implementation plans, strategic initiatives and governance structures, we can focus resources on the issues that matter most to our stakeholders while supporting the long-term success and resilience of KMD Brands. A full description of our material topics is provided in Table 10 on page 42.

# How we create value

## THE RESOURCES WE RELY ON

### OUR CREATIVE POWER
Winner of 3 ISPO global product innovation awards in FY26

### OUR PRODUCTS AND CHANNELS
Sold in over 8,300 locations (owned stores, licensed stores, wholesale doorways)

### OUR PEOPLE
4,365 employees across 11 countries

### OUR PARTNERSHIPS
151 Tier 1 factories making our products

### OUR ENVIRONMENT
Materials sourced from 18 countries

### OUR FUNDING
Over 8,000 shareholders
~$205m syndicated debt facility

## OUR VALUE CHAIN

**Our material topics**
(see appendix 2: Table 10)

**TIER 4**
**Raw material production**

**TIER 2 and 3**
**Raw material processing and fabric mills**

**TIER 1**
**Final stage manufacturing**

**Freight, distribution centres and third party logistics**

**Retail and wholesale network**

KMD BRANDS

**Inspiring people to explore and love the outdoors**

**Take-back, renewal, repair, recommerce, rental and recycling programmes**

## FY26 OUTPUTS

**$1,053m**
total sales

**18,000+**
training hours delivered (mix of e-learning and facilitated sessions to over 950 employees)

Net debt at 31 July 2026 reduced year-on-year by:
**$4.7m**

**$841k**
in financial, product and partnership support of local community projects

**1,280**
individual participants in worker voice surveys, across 9 factories

**15.7**
metric tonnes of post-consumer textile waste diverted from landfill through in-store product take-back programmes

## OUTCOMES FOR OUR STAKEHOLDERS

**FOR CUSTOMERS**
Designing innovative, technical outdoor lifestyle and sports products

**FOR EMPLOYEES**
Providing a place for all people to realise their full potential

**FOR INVESTORS**
Net debt reduction lowers financial risk, improves cashflow and strategic flexibility

**FOR THE COMMUNITY**
Creating positive change in the communities we impact

**FOR SUPPLIERS**
Providing long-term partnerships, supporting strong worker wellbeing through the use of worker voice tools

**FOR THE PLANET**
Striving to make a positive impact on the environment across the whole life cycle of our products

# ESG strategy

**The KMD Brands vision drives our ESG strategy which is focused around three key areas: Communities, Climate and Circularity.** Together, these focus areas support us to act responsibly, transparently, and with purpose.

## SUSTAINABLE DEVELOPMENT GOALS

We acknowledge the impact of our business and accept our responsibility to advance the United Nations Sustainable Development Goals (SDGs). We consider the SDGs in our strategy and our reporting, which underpins all our business activities. **The goals where we have the most impact are shown below:**




**SDG 8**
**Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.**

**SDG 10**
**Reduce inequality within and among countries.**

**SDG 12**
**Ensure sustainable consumption and production patterns.**

**SDG 13**
**Take urgent action to combat climate change and its impacts.**

The content of this publication has not been approved by the United Nations and does not reflect the views of the United Nations or its officials or Member States.

## COMMUNITIES Positively impact the wellbeing of people and places touched by our brands

| Focus Area | Our Targets | FY26 Performance |
|---|---|---|
| Provide a people-centred culture and workplace that fosters health, safety, wellbeing and inclusiveness | An equitable, inclusive workplace representative of the diversity within our communities, through gender representation and increase representation of employment of local ethnic minority | - Board: 40% Female, 60% Male<br>- Executive teams: 38% Female, 62% Male<br>- Management roles: 53% Female, 46% Male, <1% undisclosed<br>- Increase to 9% of our team identify as belonging to an ethnic minority |
| Protect human rights and dignity by addressing modern slavery in our value chain through collaboration and transparency | Genuine transparency of, and effective worker voice communications with strategic suppliers for each brand and accountability to the KMD Brands Code of Conduct | - 100% of Tier 1 and 162 Tier 2 suppliers accountable to the Code of Conduct<br>- Worker voice surveys conducted in 6 Tier 1 and 3 Tier 2 factories<br>- 1,280 workers consulted on workplace conditions in India |
| Engage, inspire and protect the communities where we operate and impact | Supported local community projects, through donations, fundraising and paid employee time, to create a positive impact for the wellbeing of people and planet | - NZD$841K of cash and product donations<br>- NZD$181K donated via Retail bag sales to charity partners<br>- 1,903 community volunteer hours provided across the group |

## CLIMATE Transition to a low carbon future

| | | |
|---|---|---|
| Reduce emissions in line with the Paris Agreement goals | Reduced absolute Scope 1 and 2 emissions by a minimum of 47% by July 31 2030, from a FY19 base year<br>Reduced absolute Scope 3 emissions by a minimum of 28% by July 31 2030, from a FY19 base year | - 57% reduction in total Scope 1, Scope 2 (location-based) and Scope 3 emissions since our FY19 base year<br>- 65% reduction in business travel emissions since our FY19 base year<br>- 3,865 styles uploaded into the Worldly Product Impact Calculator (PIC) to gain insight of our product footprint |

## CIRCULARITY Eliminate the linear take-make-waste approach to business

| | | |
|---|---|---|
| Foster and invest in circular business models across our businesses | Commercialised brand-led circular business models for product take-back, renewal, repair, re-commerce, rental or recycling | - 15.7 metric tonnes of post-consumer textile waste recycled via in-store take-back programmes<br>- 1,868 garments restored through Kathmandu REDU programme<br>- Released the first open-toe product in the European market to contain post-consumer recycled wetsuits collected through Rip Curl's Recycle Your Wetsuit initiative |
| Increase responsible material content in our products | Dedicated to our own brand products being responsibly sourced | **Kathmandu:** 56% of polyester used in apparel is recycled or recyclable (target 100% by 2030)<br>**Rip Curl:** 83% apparel and accessories in preferred materials (target: 100% by 2030)[1]<br>**Oboz:** 85% of range using a minimum of 20% environmentally preferred materials by weight (target 100% by 2030) |
| Reduce the waste footprint created across our business | Diversion of 90% of waste to landfill from our direct operations by 2030 | - 76% of total operational waste was diverted from landfill<br>- 64% reduction in operational waste-related emissions since our FY19 base year |

1. Preferred materials includes: Cotton – BCI mass balance, Recycled & Organic. Synthetics – Recycled (GRS certified) & Bio-based. Viscose – Ecovero® by LENZING™ (OEKO-TEX® & FCS Certified). Foam/Rubber – Bio-based Foam (USDA certified & FSC certified), Bloom® EVA. Leather – LWG gold supplier. Wool – RWS certified. Down – RDS certified.

# BRAND IMPACT
# KATHMANDU




Kathmandu®

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Kathmandu®

## Communities

**Positively impact the wellbeing of people and places connected to our brand.**

- Supported local community projects, through donations, fundraising and paid employee time, to create a positive impact for the wellbeing of people and planet.

## Climate

**Transition to a low carbon future.**

- Reduced our emissions in line with the Paris Agreement goals.

## Circularity

**Eliminate the linear take-make-waste approach to business.**

- Commercialised circular business models for Kathmandu products, including take-back, renewal, repair, re-commerce or recycling.
- Increased responsibly sourced materials in Kathmandu products.

Kathmandu also contributes to Group ESG goals that promote employee wellbeing and inclusion, uphold human rights across the value chain, and reduce waste across our operations. Further details can be found on page 12.

# FY26 Highlights



**162**

volunteer hours spent supporting the Southshore Spit Estuary Restoration project

**NZD$325k**

in product and cash donations to support local communities




**3,548kgs**

of textile waste recycled through in-store take-back programmes



**100%**

Responsible Down Standard
10 years of certification

**100%**

of wool sourced was Responsible Wool Standard (RWS) certified



**41%**

of polyester used across apparel and equipment came from recycled sources

Member of Fashion & Textiles NZ

Fashion &Textiles NEW ZEALAND




**100+**

free repairs completed in 9 days at our in-store B Corp month pop-up

**1,868**

garments restored through REDU programme

**19.7 tonnes**

of soft plastics waste from Kathmandu stores diverted from landfill via the Soft Plastics Recycling Scheme

**100% PFAS free**

All Kathmandu products designed were free from intentionally added PFAS across apparel and hardgoods.

# Responsible materials

## Kathmandu drives innovation in responsible materials, with an award-winning team pioneering products that use lower-impact fabrics and technologies.

Our preferred fibres and materials strategy supports durability, repairability and circular outcomes, while also addressing climate impacts, resource use, and performance requirements. Responsible materials innovation is a key enabler of circularity and climate action, not a standalone sustainability initiative.

In FY26, **100% of wool sourced was certified to the Responsible Wool Standard (RWS)**, achieving our 2025 goal. We also made progress towards our 2030 goal for all polyester to be recycled or recyclable. Across apparel and equipment, **41% of polyester came from recycled sources, including 56% of apparel polyester and 20% of equipment polyester.** Overall, recycled input materials accounted for 25% of total material use by weight.

Building on this achievement, Kathmandu entered a three-year partnership with Zentera Wool Company to introduce ZQ+ regenerative merino into our collections from Autumn Winter 2027. This represents an important next step in our responsible materials journey, supporting regenerative farming practices, improved farm-level traceability and greater transparency across our wool supply chain.






We also continued to explore innovative uses for natural materials through our partnership with Christchurch-based Wool Source. New 100% merino graphic t-shirts feature screen-printed inks made using Wool Source Pigments, a technology that transforms strong wool into pigments that are almost 100% bio-based. This collaboration creates new uses for New Zealand strong wool and demonstrates how local innovation can support more responsible material choices.

As the Official Apparel Partner of the New Zealand Team, Kathmandu uses its partnership with the New Zealand Olympic Committee to demonstrate how responsible materials can be integrated into high-performance apparel. For the Glasgow 2026 Commonwealth Games, we designed and developed the NZ Team Uniform using recycled and natural material innovations, including fabrics made from recycled waste streams and next-generation merino technologies that reduce reliance on synthetic coatings. Designed for a range of competition environments, the uniform delivers performance, comfort and durability while reducing material impacts. Recognised as one of the standout team uniforms from a design perspective, it demonstrated how sustainability, technical performance and contemporary design can come together.

We also continued to strengthen our approach to chemical management across the supply chain. Kathmandu's **Chemical Policy and Restricted Substances List (RSL)** aligns with leading global standards, including bluesign® and EU REACH requirements, helping ensure products are safe for workers, customers and the environment. We maintained our ban on intentionally added PFAS across all materials and finished products. For FY26, 100% of Kathmandu designed products are free from intentionally added PFAS across both apparel and hardgoods.



# Circularity

**Kathmandu's approach to circularity starts with keeping products in use. We prioritise durability, repair and reuse, supported by resale programmes that extend product life and retain material value.**

Recycling is treated as a last resort, used only when products can no longer be repaired or reused. Our focus is on creating value through longer use and better design, not simply reducing waste. This commitment is reflected in our leadership of industry initiatives, active engagement in policymaking, and the programmes and partnerships we deliver to keep products in use and materials at their highest value for as long as possible.

In FY26, we continued to advance circularity by extending product life and reducing waste through repair, resale and textile recovery initiatives. Since launching, REDU has renewed more than 11,200 pieces of gear, giving products a second life. During B Corp Month, our REDU pop-up at Tower Junction, Christchurch, completed more than 100 free repairs in just nine days, helping customers extend the life of their gear. Complementing these efforts, our textile recovery partnerships with ImpacTex and Upparel provided customers across Australia and New Zealand with convenient options to return unwanted textiles for reuse and recycling through 17 Kathmandu stores.

We also embedded more responsible design principles into our next-generation stores. At Little Collins in Melbourne, repurposed materials, 3D-printed light fittings and fixtures made from recycled plastic bottles were used throughout the store. We continued efforts to divert soft plastics from landfill, reaching a milestone of almost 20 tonnes diverted during FY26.

Innovation remained an important enabler of waste reduction. Our limited-edition Epiq Colour Block down jacket transformed surplus fabrics from previous production runs into a unique, high-performance product, demonstrating how existing materials can be repurposed to create value while reducing waste.












# People & Community

**Kathmandu invests in the communities it operates in, supporting environmental, social, and inclusion initiatives that reflect our commitment to positive impact. This includes working closely with suppliers and factory partners to support safe working conditions, fair wages and inclusive workplaces across our value chain.**

Through our annual Planet Day initiative, Kathmandu team members contribute to hands-on environmental restoration projects in the communities where we operate. In 2026, employees supported the Avon-Heathcote Estuary Ihutai Trust in Christchurch, helping remove invasive lupins from the Southshore Spit Estuary to protect native biodiversity, strengthen ecosystem resilience and support the long-term health of this climate-vulnerable coastal habitat.

Kathmandu also invests in programmes that create lasting social impact by helping New Zealand youth build confidence, resilience and wellbeing through the outdoors. Since 2021, we have partnered with the Graeme Dingle Foundation to support Project K, a 14-month youth development programme that combines outdoor adventure, community challenges and mentoring to empower young people at a pivotal stage in their lives. Through this partnership, Kathmandu helps increase access to transformative outdoor experiences and trusted mentoring relationships, equipping tamariki and rangatahi across Aotearoa New Zealand with the skills, confidence and resilience to thrive in school, work and life.

In FY26, Kathmandu further strengthened its commitment through a combined contribution of $370,000, including direct funding and donations of apparel and outdoor gear valued at $170,000 RRP. These contributions helped more young people access life-changing development opportunities and experiences in the outdoors.



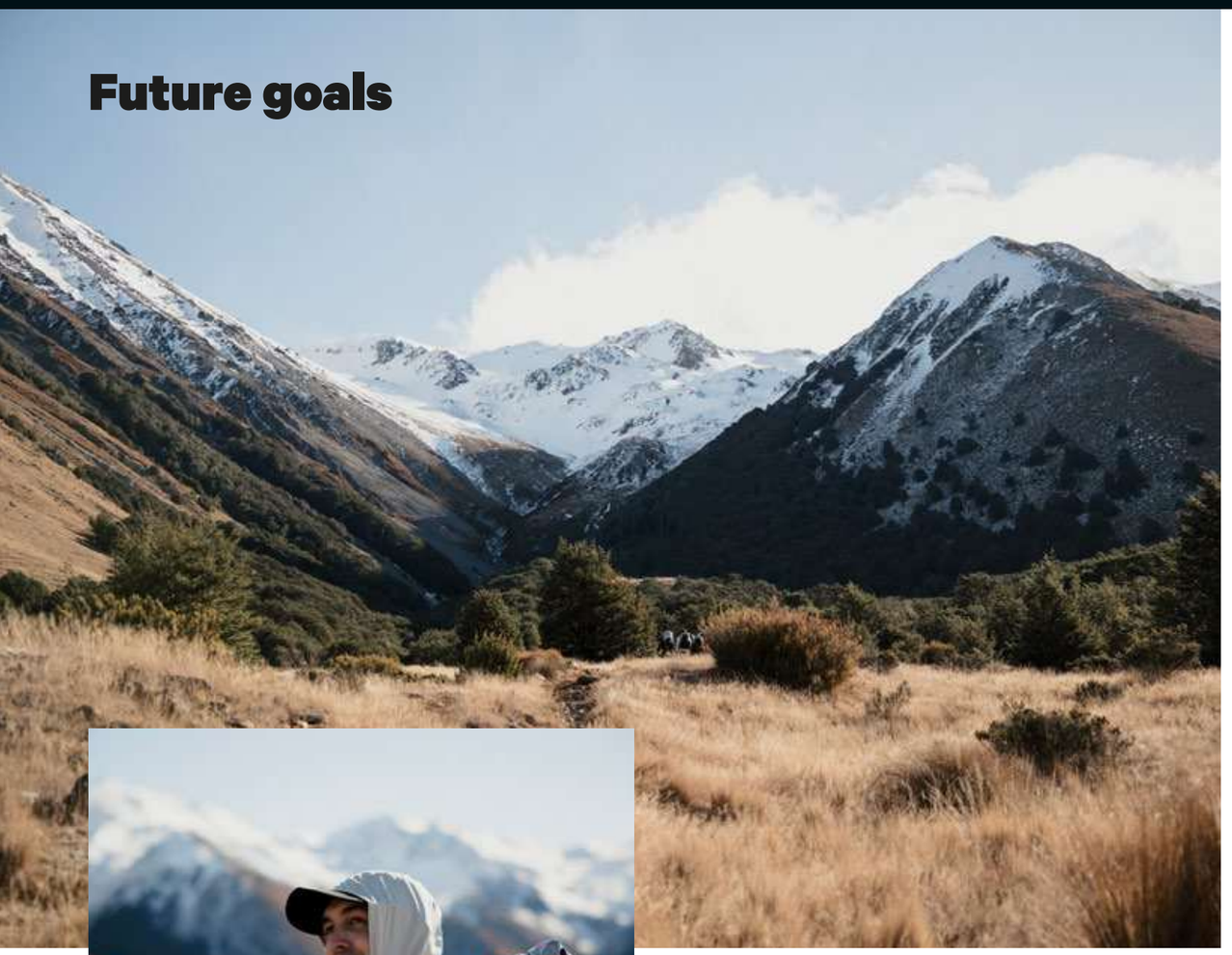








# Future goals





## Kathmandu is evolving its product ESG goals to reflect both its B Corp commitment to continuous improvement and its ambition to remain an industry leader in responsible innovation.

Building on strong foundations, including 100% Responsible Down Standard certified feather and down, 100% Responsible Wool Standard certified wool, preferred cotton, and a pathway to fully recycled or recyclable polyester by 2030, the new goals focus on three key pillars: Materials, Chemistry and Transparency.

### Materials[1]

- Replace **100% of virgin fossil-based synthetic fibres** with responsibly produced recycled, $CO_2$-based and/or bio-based synthetic fibers by **2030**.
- All natural fibres to be **100% sustainable and responsibly sourced[2] by 2030**.

### Chemistry

- Adopt **clean chemistry alternatives** for our top five priority chemistries – DWR (durable water repellency), membranes/coatings, antimicrobials, wicking treatments and softeners.
- **Continue to prioritise biochemistry over petrochemistry** in innovation and performance development.

### Transparency

- By 2030, **100%[3] of Kathmandu-branded products to have a Digital Product Passport** with key product, material and sustainability information.
- By 2028, **publish traceability maps for 10 of our brands' most iconic products on our website**.

Kathmandu®



The updated framework is designed to support future business growth, respond to emerging innovation and compliance requirements, and create measurable, SMART outcomes while also enabling storytelling around partnerships and breakthroughs.

Circularity will remain a core design and product development principle. We will continue to advance this vision across our products and business by reducing waste, extending product life, creating pathways for products and materials to be repaired, reused, recirculated and recovered, and developing circular business models that keep products in use for longer. Over the next year, we will also review our approach to biodiversity loss and water reduction to identify opportunities for further progress.




1. Excluding trims, threads, etc, constituting less than 5% of the product.
2. Covers wool, down, cotton, leather, hemp, silk, etc.
3. Products that are feasible to have a digital QR code attached onto them.

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RIPCURL

## Communities

**Positively impact the wellbeing of people and places connected to our brand.**

- Supported local community projects, through donations, fundraising and paid employee time, to create a positive impact for the wellbeing of people and planet.

## Climate

**Transition to a low carbon future.**

- Reduced our emissions in line with the Paris Agreement goals.

## Circularity

**Eliminate the linear take-make-waste approach to business.**

- Commercialised circular business models for Rip Curl products including take-back, renewal, repair, re-commerce, rental or recycling.
- Increased responsibly sourced materials in Rip Curl products.

Rip Curl also contributes to Group ESG goals that promote employee wellbeing and inclusion, uphold human rights across the value chain, and reduce waste across our operations. Further details can be found on page 12.

1. Preferred materials includes: Cotton – BCI mass balance, Recycled & Organic. Synthetics – Recycled (GRS certified) & Bio-based. Viscose – Ecovero® by LENZING™ (OEKO-TEX® & FCS Certified). Foam/Rubber – Bio-based Foam (USDA certified & FSC certified), Bloom® EVA. Leather – LWG gold supplier. Wool – RWS certified. Down – RDS certified.

# FY26 Highlights



Celebrated

**25 years**

of Planet Day, restoring coastal areas where we work and live

**NZD$489K**

in product and cash donations to support local communities



**93%**

of cotton responsibly sourced

**83%**

apparel and accessories in preferred material[1]



**52%**

of wetsuit range using responsibly sourced materials



**AUD$1.1m**

Primary partner for the **Make A Wave Surf Aid** challenge, helping raise AUD$1.1m for remote surfing communities

**Member of Seamless clothing stewardship scheme**

Seamless

**10,000+**

wetsuits recycled in FY26 through customer take-back programme




**21.4 tonnes**

of soft plastic waste diverted from landfill

**11+ million litres**

of water cleaned and restored to the environment through Bloom™ material partnership in Footwear division

# Responsible materials

RIPCURL

## Rip Curl continues to innovate in responsible materials, developing high-performance surf products that incorporate lower-impact materials and production methods.

Our approach focuses on increasing the use of preferred materials[1], reducing reliance on conventional materials and maintaining the durability and performance required for surfing. We work with our supply chain partners to use preferred materials, adopt lower-impact production methods, and extend product life.

In FY26, **preferred materials accounted for 83% of materials used across apparel and accessories**, progressing towards our 2030 goal of 100%. Recycled input materials accounted for 15% of total material use. We continued to increase the use of preferred cotton, achieving 100% across our main-range fleece and tees, shirts, pants and dresses, and boardshort categories. Overall, **93% of cotton was responsibly sourced in FY26**, short of our 2026 goal of 100%, with the remaining work focused on smaller accessory categories, including wallets, utility and shoulder bags, and selected headwear.

Rip Curl also launched CORDURA® Re/Cor™, an industry-first innovation in boardshorts. The fabric incorporates pre-consumer recycled materials while retaining the durability, stretch and performance characteristics for which CORDURA® is renowned. Developed specifically for surfing, the material delivers the strength, comfort and quick-dry functionality expected of a technical boardshort, demonstrating how responsible material innovation can be embedded in performance products without compromising quality or longevity.

Continuing our commitment to better materials in our core wetsuit products, OCENA® foam, containing 74% bio-based content sourced from FCS-certified plantations, oyster shell powder and plant-based oils, was adopted further across our wetsuit range. The foam uses lower-impact carbon black derived from scrap tyres, helping reduce energy consumption and $CO_2$ emissions. Bio-based foam was also incorporated into the E-Bomb, Dawn Patrol and G-Bomb ranges, as well as surf school suits. We also use water-based lamination for our jersey fabrics to reduce volatile organic compound emissions associated with traditional solvent-based adhesives. In FY26, **52% of Rip Curl's wetsuit range used responsibly sourced materials**, progressing towards our 2030 goal of 75%.



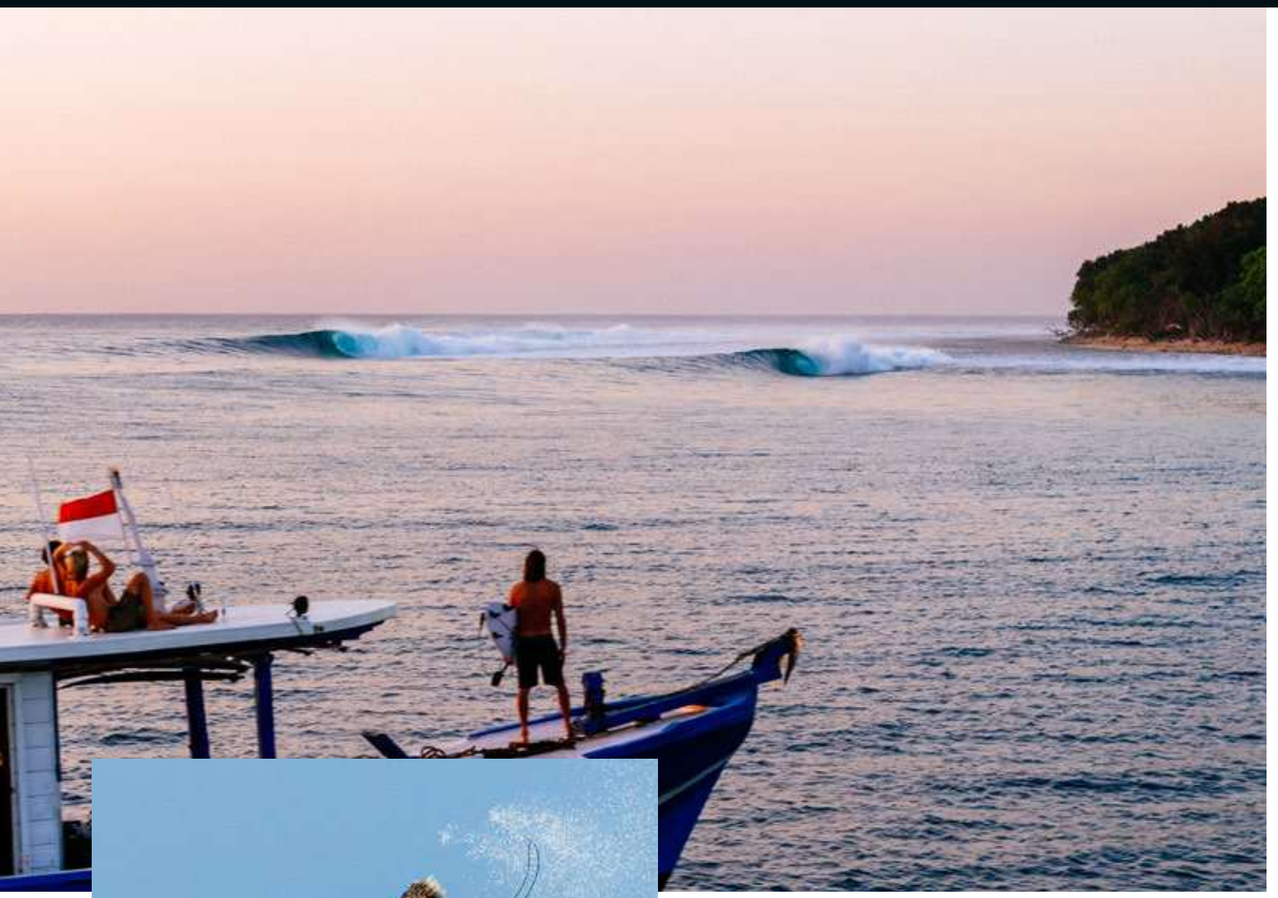









1. Preferred materials includes: Cotton – BCI mass balance, Recycled & Organic. Synthetics – Recycled (GRS certified) & Bio-based. Viscose – Ecovero® by LENZING™ (OEKO-TEX® & FCS Certified). Foam/Rubber – Bio-based Foam (USDA certified & FSC certified), Bloom® EVA. Leather – LWG gold supplier. Wool – RWS certified. Down – RDS certified.





# Circularity

RIP CURL

## Circularity is an important part of Rip Curl's approach to product design and development, with a focus on extending product life, reducing waste and keeping materials in use for longer.

Through product repair, take-back initiatives and the development of new products using recovered materials, we are working to create more circular pathways for our products. These efforts support our commitment to reducing our environmental impact while maintaining the performance and durability our products are known for.

In FY26, Rip Curl recycled 10,097 end-of-life wetsuits globally. In Europe, its Recycle Your Wetsuit initiative collected 3,333 wetsuits across its distribution channels. Through our partnership with Circular Flow, recovered neoprene is being transformed into Renoprene® products, including change mats and yoga mats sold through our direct-to-consumer network, and open-toe footwear available across all channels. The OMEGA Renoprene® Open Toe is the first open-toe product in the European market to contain post-consumer recycled wetsuits.

Rip Curl's repair services help extend the life of its products, with repair services available across its offices. In Europe, the Repair Service Centre in Hossegor, France, underwent a significant upgrade following the brand's receipt of the Ecologic Innovation Award and a €10,000 grant. The funding supported the digitalisation of repair services and investment in new machinery to improve workshop capabilities. Building on this investment, Rip Curl is launching a free repair initiative across France, Spain and Portugal to encourage customers to repair their wetsuits and extend their useful life.

We are also reducing waste earlier in the product development process through the use of digital design systems and 3D prototyping technologies. Digital design systems help reduce material waste by enabling concepts to be developed and refined virtually before physical samples are produced. Through 3D prototyping, teams can deliver more resolved products, particularly on complex technical projects involving multiple suppliers, reducing sample requirements and supporting a more streamlined development process.

Together, these initiatives reflect Rip Curl's holistic approach to circularity, combining innovative design practices, repair services, material recovery solutions and strong relationships with long term committed suppliers, to reduce waste, extend product life and keep valuable resources in use for longer.







# People & Community

RIPCURL

**Rip Curl supports conservation groups, beach communities, and other initiatives that protect our oceans and waterways. From coastal revegetation to the wellbeing of remote surfing communities, we strive to make a meaningful impact through dedicated projects and events.**

These efforts reflect our deep connection and commitment to preserving the environments where we operate, surf, and live. We also work closely with partners in our supply chain to ensure safe, fair, and ethical workplaces.

In FY26, Rip Curl strengthened its support for the people and communities connected to surfing. The brand extended its partnership with the Australian Indigenous Surfing Titles for a further three years and advanced its commitment to reconciliation through its Innovate Reconciliation Action Plan, endorsed by Reconciliation Australia in 2025. The event brings Indigenous surfers and communities together to celebrate culture, connection and surfing.



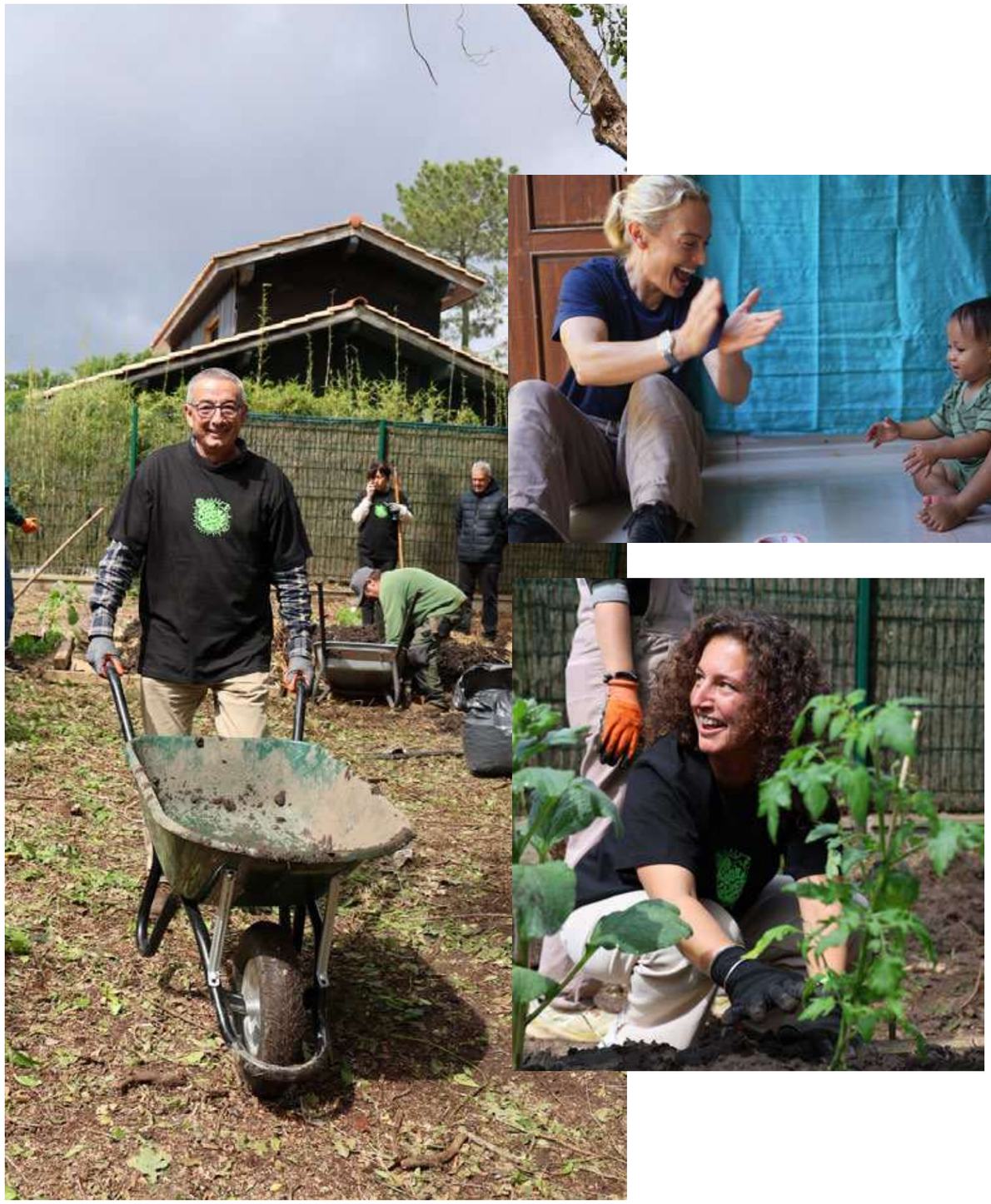
Rip Curl also marked 25 years of Planet Day, its global environmental volunteering initiative. Crew members partnered with local organisations on tree planting, habitat restoration and rubbish removal projects across beaches and waterways in the communities where they live and work. Across FY26, employees contributed 1,498 hours of volunteering to environmental and community initiatives.

Through ongoing support of the Surfrider Foundation in Australia, Europe, and North America, Rip Curl contributed over NZD$89,000 to support coastal conservation efforts.

Rip Curl maintained its partnership with SurfAid, supporting programmes that improve health, nutrition and access to clean water in remote surfing communities. During FY26, team rider and Olympic medallist Owen Wright visited SurfAid projects in Rote, Indonesia, gaining firsthand insight into initiatives that support local families through clean water systems, nutrition programmes and community health services.

As a key sponsor of SurfAid's Make A Wave challenge, Rip Curl helped encourage participants to surf every day for 30 days while raising funds for SurfAid's programmes. Owen Wright also served as an ambassador for the campaign, helping raise awareness of the challenges facing remote surfing communities and the importance of access to clean water, healthcare and nutritious food.

Together, these initiatives reflect Rip Curl's commitment to supporting the people, communities and environments connected to surfing. Through partnerships that promote environmental conservation, community wellbeing, cultural connection and employee volunteering, we aim to create positive impacts both locally and across the global surf community.






# 24

Obōz

## Communities

**Positively impact the wellbeing of people and places connected to our brand.**

- Supported local community projects, through donations, fundraising and paid employee time, to create a positive impact for the wellbeing of people and planet.

## Climate

**Transition to a low carbon future.**

- Reduced our emissions in line with the Paris Agreement goals.

## Circularity

**Eliminate the linear take-make-waste approach to business.**

- Commercialised circular business models for Oboz products, including take-back, renewal, re-commerce or recycling.
- Increased responsibly sourced materials in Oboz products.

Oboz also contributes to Group ESG goals that promote employee wellbeing and inclusion, uphold human rights across the value chain, and reduce waste across our operations. Further details can be found on page 12.

# FY26 Highlights



**244**

volunteer hours dedicated to building and stewarding local trails and supporting local community initiatives

**NZD$26K**

in product and cash donations to support local communities

**85%**

of range using a minimum of 20% environmentally preferred materials by weight



**280,000+**

trees planted through Trees for the Future and Veritree programme



Joined **The Conservation Alliance** and its members in Washington DC to advocate for public lands and waters.

The Conservation Alliance
Outdoor Business Giving Back to the Outdoors

Continued to offer warranty take-back programme to customers for footwear reuse



Registered as a packaging producer in six US states, taking responsibility for packaging under evolving Extended Producer Responsibility (EPR) regulations



# Responsible materials

**We are committed to using more responsibly sourced and lower-impact materials across our footwear range. We work closely with suppliers and industry partners to improve material choices, increase recycled and renewable content, and reduce the environmental footprint of our products. Responsible materials help us advance our Climate and Circularity ambitions while delivering the quality and performance needed for life on the trail.**

Obōz

In FY26, we made significant progress towards our goal of increasing environmentally preferred materials (EPMs) across the range. **72 of our 84 footwear styles met our threshold of at least 20% environmentally preferred materials by weight, representing 85% of the range**, up from 63% in FY25. This result reflects our continued focus on integrating recycled, renewable and responsibly sourced materials into our products, while maintaining the durability, comfort and performance expected by hikers and outdoor enthusiasts.

We also achieved our 2025 goal of transitioning to **100% PFAS/PFC-free non-wicking treatments and waterproof membranes**. All newly developed products are now free from intentionally added PFAS, with compliance independently verified through testing by Intertek. This milestone represents an important step in reducing reliance on chemicals of concern while continuing to deliver the weather protection and technical performance required for outdoor environments.

Together, these advancements demonstrate how responsible materials and chemistry management can support product innovation, reduce environmental impacts and help build a more sustainable future for our footwear.







# Circularity

Obōz

**We are committed to using collaborative, innovative systems to reduce or rethink "take-make-waste" products and keep resources in use. We have our own product category challenges and opportunities, and we work with others to learn, educate and grow our knowledge to achieve our goals. We also offer a post-consumer footwear take-back option, allowing customers to return used shoes for responsible reuse or recycling.**

Durability is central to Oboz's approach to circularity. Footwear is designed with materials and components selected for their intended use, balancing performance and durability. Oboz also provides guidance on cleaning, waterproofing, drying and storing footwear to help customers extend the life of their shoes and boots, keeping them in use for longer.

In August, we held a large sample sale in Bozeman, Montana, where hundreds of community members purchased footwear for $5–20 per pair, keeping samples out of waste streams and giving them a second life.

Oboz also registered as a packaging producer in six US states, taking responsibility for the packaging we introduce to the market under evolving Extended Producer Responsibility (EPR) regulations.

Through product take-back, a focus on durability, and initiatives to keep footwear and packaging out of waste streams, we are working to extend product life, retain material value and support a more circular approach to our business.










# People & Community

Obōz

**We want to positively impact the wellbeing of people and places touched by Oboz. We aim to provide a workplace that fosters health, safety, wellbeing and inclusiveness, while engaging, inspiring and protecting the communities where we operate.**

In FY26, Oboz continued to support the people, places and trails that make outdoor experiences possible. Born in the Greater Yellowstone Ecosystem, we believe thriving communities depend on healthy public lands, accessible trails and opportunities to connect with nature.

Protecting trails and public lands remained a key focus. Oboz supported the Continental Divide Trail Coalition, helping conserve and maintain one of North America's significant long-distance trails, and the Gallatin Valley Land Trust, which conserves open spaces and expands local trail networks in Bozeman, Montana. Team members also contributed 244 volunteer hours to trail maintenance, building and stewardship projects and local community initiatives.

Through partnerships with The Conservation Alliance and Wild Montana, we supported efforts to protect wildlife habitat, watersheds, roadless areas and recreational access. Oboz received The Conservation Alliance's 2025 Outstanding Partnership Award in recognition of this work. We also supported reforestation and ecosystem restoration, with more than 280,000 trees planted in FY26 through our partnerships with Veritree and Trees for the Future.

We continued to support initiatives that make the outdoors more welcoming and inclusive. Our special-edition footwear collaboration with Gorp Girls celebrated women hikers and encouraged greater participation in outdoor recreation. We also supported The Unity Folks, Refugee Women's Network and The 52 Hike Challenge, helping more people experience the benefits of time in nature.

Locally, our partnership with The Station Foundation supported trails used in outdoor healing and reintegration programmes for active-duty and retired US Special Operations Forces personnel and their families. Through its Homecoming Project, hiking and time outdoors help strengthen wellbeing, resilience and family connections during the transition to civilian life.

Together, these partnerships help protect natural places, strengthen communities and create more opportunities for people to connect with the outdoors.
















# REPORTING DISCLOSURES

# 29

# Climate related disclosure 2026

## 1. About this disclosure

This year, KMD is not required to provide mandatory climate-reporting under the New Zealand Financial Markets Conduct Act 2013. The New Zealand Government has proposed increasing the reporting threshold for listed issuers under the climate-related disclosure regime from $60 million to $1 billion in market capitalisation, which would remove KMD from the scope of the mandatory reporting requirements if enacted. Consistent with the interim no-action relief issued by the Financial Markets Authority in October 2025, KMD has not prepared a Climate-Related Disclosure statement under the Aotearoa New Zealand Climate Standards for FY26.

As a Certified B Corp, we remain committed to practices that align with our business strategy, shareholder expectations, and broader responsibility to people and planet. Accordingly, we have chosen to continue reporting voluntarily on the climate-related matters most relevant and material to our business and stakeholders.

This disclosure has been prepared with reference to the Aotearoa New Zealand Climate Standards (NZ CS) 1, 2 and 3, but is not represented as complying with those standards. Our approach is proportionate and focused on material information. It explains how climate-related risks and opportunities are governed and managed, the actions we are taking, and our emissions and progress against targets. Unless otherwise stated, the information relates to the year ended 31 July 2026.

### Basis of preparation

This is a voluntary disclosure. It should be read with the **FY26 Annual Report** and the GHG inventory and assurance statement (page 35 and 48).

## 2. Governance

### Board oversight

The Board has overall responsibility for the governance of KMD Brands, including oversight of climate-related risks and opportunities. The Board is supported by the Audit and Risk Committee (ARC), which assists with oversight of the Group's risk management framework, material risks and compliance obligations, including climate-related reporting requirements.

Climate-related matters are considered through the Group's existing governance, strategy and enterprise risk management processes. The Board reviews material risks, oversees progress against relevant ESG and climate metrics and targets, and considers climate-related matters as part of its broader oversight of strategy and risk.

KMD's approach to climate governance is supported by its Risk Management Policy and Enterprise Risk Management (ERM) framework, which are used to identify, assess and manage material risks across the Group, including those arising from climate change.

As a Certified B Corp, stakeholder and environmental considerations are embedded within KMD's governance framework and decision-making processes. Climate-related risks and opportunities are also considered through the Group's ESG Strategy, which guides priority actions, metrics and targets across the business.

### Management responsibilities

The Board delegates responsibility for implementation of strategy and day-to-day management of climate-related risks and opportunities to the Group CEO and executive leadership team.

The Chief Legal & ESG Officer, together with the Chief Financial Officer, oversees the integration of climate-related considerations into the Group's risk management framework and reporting processes. The ESG team is responsible for coordinating climate reporting, emissions reduction initiatives and broader implementation of the Group ESG Strategy, working with teams across the business to monitor progress and support delivery of climate-related objectives.

Brand CEOs and management teams are responsible for identifying and managing climate-related risks and opportunities within their areas of responsibility and for implementing actions that support the Group ESG Strategy. Progress against key ESG and climate-related metrics is reported to the Board at least annually.

For further information about Board and Committee responsibilities, refer to the **FY26 Corporate Governance Statement** included in the KMD Brands FY26 Annual Report.







## 3. Strategy

### 3.1 Climate scenario analysis

#### Our climate context

KMD Brands operates a global portfolio of outdoor brands with extensive retail, wholesale and supply-chain operations across multiple regions. Climate change has the potential to affect our business through both physical impacts, such as extreme weather and disruption to sourcing, manufacturing, logistics and retail operations, and transition impacts arising from changes in regulation, technology, consumer preferences and market expectations.

#### Scenario analysis – our approach

Climate scenario analysis helps us assess the resilience of our strategy and business model under a range of plausible future climate outcomes. It is not intended to predict the future, but rather to better understand potential risks and opportunities and support long-term decision-making.

KMD first undertook an entity-level climate scenario analysis and risk assessment in FY24. During FY25, we refreshed our climate scenarios and climate risk assessment with external support, taking into account updated climate science, economic and geopolitical developments, and emerging risks and opportunities relevant to our business. The updated scenario narratives and key assumptions were reviewed and approved by the Board. In FY26, KMD reviewed its climate-related impacts, risks and opportunities against the existing climate scenarios and confirmed that the scenario narratives developed in FY25 remained relevant and appropriate for the Group's current operating environment.

KMD Brands' scenario analysis covers each of its businesses, Kathmandu, Rip Curl and Oboz, and assesses potential impacts across the value chain over short-term (to 2030), medium-term (2031-2040) and long-term (2041-2050) time horizons.

#### Scenarios considered

To assess the resilience of our business and strategy, we considered three plausible climate futures:

**Orderly transition**

Early and coordinated global action accelerates policy reform, low-carbon technologies and decarbonisation. Transition pressures are higher in the near term, but long-term physical climate impacts are more limited.

**Disorderly transition**

Climate action is delayed and uneven across jurisdictions, resulting in greater policy uncertainty, inflationary pressures, market volatility and higher transition costs over time.

**Hot-house world**

Limited global climate action results in lower transition pressures but significantly greater physical impacts, including more frequent extreme weather events, resource constraints and disruption across supply chains and operations.





#### Key observations

The scenario analysis confirmed that KMD's most significant climate-related exposures continue to arise through its global supply chain, manufacturing network, logistics operations and retail footprint. While the nature, timing and severity of impacts differ across each scenario, the assessment reinforces the importance of strengthening operational resilience, reducing emissions, monitoring regulatory developments and responding to changing stakeholder expectations.

The climate scenarios inform our ongoing review of climate-related risks and opportunities and support our broader enterprise risk management and strategic planning processes.

### 3.2 Climate-related risks and opportunities

During FY26, KMD reviewed its climate-related impacts, risks and opportunities to confirm they remained relevant and reflective of the Group's current operating environment. As part of this review, KMD refreshed its assessment of physical and transition climate risks and opportunities. The key physical and transition risks and opportunities identified are set out in the Tables on the following page.

The assessment concluded that the Group's key climate-related risks and opportunities remain broadly consistent with those identified in the prior year, with no material changes to their nature or potential impacts. While these risks are not expected to have a material impact on the business over the short term, they could adversely affect revenue, margins and operations over the medium to long term if not effectively managed.

During the reporting period, several stores in the North Island of New Zealand were temporarily affected by Tropical Cyclone Vaianu. Seven stores were closed due to flooding on surrounding streets, while a further five stores closed as a precaution in response to high winds. These disruptions were short-term in nature and did not result in a material financial impact to the Group.

No material financial impacts arising from either physical or transition climate-related risks were identified during the reporting period.

KMD will continue to monitor and assess climate-related risks and opportunities as part of its ongoing risk management processes, recognising that their potential financial effects may become more significant over longer time horizons.

### Physical and Transition risks

| Category | Description | Anticipated impacts |
|---|---|---|
| **Physical** | | |
| **Extreme weather events** | Increase in intensity of average wind speed and number of windy days.<br>Increase in intensity and frequency of cyclone events. | • Closure of factories, warehouses and stores impacting production timelines, distribution and sale of product (R-P1).<br>• Damage to inventory, store fit outs and raw materials resulting in write-offs and loss of revenue (R-P2).<br>• Grid blackouts and communications network outages negatively impacting productivity (R-P3). |
| **Increased temperatures** | Increasing annual average temperatures resulting in significantly more hot days per annum causing extended dry periods. | • More hot days are expected to reduce sales, especially in rainwear and insulation, which are highly weather-sensitive categories (R-P4).<br>• Negative impacts on raw material production and growing conditions reducing quality of, and accessibility to, key commodities, increasing price and procurement cost. This may impact product margin and reduce revenue (R-P5).<br>• Impacts on working conditions for our own, and contracted supplier, employees, reducing productivity and delaying product timelines (R-P6). |
| **Pluvial and fluvial flooding** | Increasing frequency and intensity of pluvial flooding due to increasing extreme, rare rainfall events. | • Damage to warehouses, stores and inventory causing loss of revenue (R-P7).<br>• Transport and shipping delays resulting in loss of revenue (R-P8).<br>• Impacts on manufacturing suppliers in areas where flooding is occurring with greater frequency impacting lead times and capacity for product delivery (R-P9). |
| **Wildfire** | Increase in wildfire events due to increasing temperatures, lower rainfall and drought conditions. | • Inventory loss, store fit out damage, loss of revenue (R-P10).<br>• Disruption of transport networks causing delay in movement of product (R-P11).<br>• Delays in wholesale customer payments causing an increase in accounts receivable and an increase in bad debts (R-P12).<br>• Impacts of air quality on employee health and consumer activities post wild-fire event (R-P13). |
| **Transition** | | |
| **Market** | Consumer preference for sustainable product. | • Limited consumer willingness to pay for low-emissions product ranges, posing a risk to market share and reduced revenue (R-T1). |
| **Policy, legal and technology** | Investment required for transition capabilities. | • Expanding traceability, disclosure, and product stewardship obligations may increase costs, strain resources, and delay product development and delivery (R-T2). |
| **Reputation** | Investor and Customer sentiment. | • Failure to meet sustainability targets and stakeholder expectations, resulting in reputational damage, reduced customer loyalty and sales, constrained access to finance, and potential share price decline (R-T3). |

### Physical and Transition Opportunities

| Category | Description | Anticipated impacts |
|---|---|---|
| **Physical** | | |
| **Increased product demand** | More pronounced weather patterns and more extreme seasonality of conditions. | • Greater consumer demand for products designed for specific weather conditions, including a shift towards UPF-rated products, may increase sales in key product categories and support improved margins (O-P1). |
| **Transition** | | |
| **Market** | Potential for increased profitability and growth driven by rising demand for climate-responsive products, reduced competition in existing markets, and heightened barriers to entry for new market participants. | • Ability to build a strong customer value proposition and expand market presence through demonstration of sustainable business practices resulting in increased sales, greater customer loyalty and market share growth (O-T1). |
| **Energy Source** | Early adoption of renewable energy sources. | • Early investment in solar energy across key operating sites may reduce energy costs in the longer term, improving operating profit and reducing emissions (O-T2). |

## 3.3 Transition planning

### Our approach

The Group's purpose-led outdoor brands are closely connected to natural environments and outdoor activities. Climate change has the potential to influence demand for the Group's products, operating conditions, supply chains and its stakeholder expectations. Understanding and responding to these impacts supports the long-term resilience of the Group and its brands.

KMD Brands' approach to climate transition is integrated into our broader business and ESG strategy. Our focus is on reducing emissions across our operations and value chain, improving resilience to climate-related risks, and supporting the transition to a lower-carbon and more circular economy.

Key initiatives include progressing our emissions reduction targets through renewable energy, energy efficiency and fleet improvements, increasing the use of responsibly sourced materials, driving product and business model innovation, and expanding circular programmes such as repair, resale, renewal and recycling. We also continue to work with suppliers and industry groups to improve transparency and support broader sustainability outcomes across our value chain.

Climate-related initiatives are incorporated into our business planning, capital allocation and sustainability-linked financing arrangements where appropriate. Our approach remains adaptive and will continue to evolve in response to changing climate-related risks, opportunities, customer expectations and market conditions. Solar installations remain an important component of our emissions reduction strategy. During FY26, we continued to assess potential installation opportunities and develop project scopes; however, given the operating environment and competing capital priorities, we did not proceed with any new installations during the year.

### Our FY26 progress

During FY26, we continued to strengthen our understanding of value chain emissions, with a particular focus on improving the quality, accuracy and coverage of Scope 3 emissions data. This included greater use of supplier-specific environmental data and enhanced product-level emissions insights to support more informed decision-making and emissions reduction planning. Our next steps will be to continue to work with manufacturing partners to improve their environmental performance, including energy use and greenhouse gas management, helping to build greater transparency and capability across our supply chain.

These initiatives are supporting our transition from spend-based emissions estimates towards more representative, activity-based data over time, while improving our ability to identify and address the most significant sources of emissions within our value chain.



### KMD Brands high-level transition plan

| Priority area | Actions already underway | Achievements to date | Current strategy and planned initiatives | Relevant Risk/ Opportunity |
|---|---|---|---|---|
| **Scope 1 and 2 emissions reduction** | Solar installations at strategic locations, energy efficiency upgrades, transition to electric and hybrid vehicles | Solar at 22 sites, hybrid vehicles replacing conventional vehicles<br>41% reduction in Scope 1 and 2 (location-based) emissions in FY26 against FY19 base year | Continue evaluating and implementing solar and battery options and upgrade HVAC systems at key strategic AU sites, balancing emissions reduction benefits with commercial and capital allocation priorities; vehicle fleet transition | O-T2, R-T3 |
| **Scope 3 emissions reduction** | Freight consolidation and 3PL strategy alignment, product impact analysis for Scope 3 data quality improvement | 16% reduction in freight emissions (FY25 vs. FY26)<br>3,865 styles uploaded into life cycle assessment portal to understand product-level emission footprint | 3D design platform, SBTi/SLL targets, embedding learning of new technology tools to improve Scope 3 data quality | R-T3 |
| **Waste reduction** | Waste audits, waste-to-landfill diversion | 76% waste diverted from landfill FY26 | SBTi Scope 3 target | R-T3 |
| **Responsible materials** | Increase responsible material content in our products | **For FY26: Kathmandu** 100% of wool sourced is RWS; **Rip Curl** 93% sustainable cotton; **Oboz** 85% of range using a minimum of 20% environmentally preferred materials by weight | Traceability tools; Product Lifecycle Management system investment; focus on responsible material innovation | R-P5, R-T2 |
| **Product innovation** | Category expertise in insulation, rainwear, UPF wear | Winner of three product innovation ISPO awards in FY26 | Focus on technical products, speed-to-market; circular design processes | O-P1, R-P4 |
| **Store network resilience** | Climate hazard monitoring | Geographic Information System (GIS) completed on impacts of extreme heat, extreme rainfall and storm surge, on key asset register locations | Monitor climate events and respond as needed to alter store operations to limit potential damage | R-P1, R-P2, R-P7, R-P10 |
| **Circular models** | Take-back, repair, recycling, rental | Multiple customer take-back programmes launched; global repair services, resale in AU/NZ, pop-up repairs in-store in NZ and at Europe events | Increase communication of programmes to customers to build awareness. New locations for customer engagement | O-T1, R-T1 |
| **Supply chain engagement** | Energy data reporting | 169 factories reporting verified GHG data in FY26 | Support continued supplier uptake and engagement of Worldly reporting tools (vFEM) | R-T3 |
| **Industry collaboration** | Maintaining key industry memberships | Group B Corp re-certification achieved 2026 | Complete Group B Corp surveillance audit 2027, meet Year 3 requirements in FY28 | R-T3, O-T1 |

## 4. Risk management

Climate-related risks are assessed through the Group's Enterprise Risk Management (ERM) framework and reported to the Audit and Risk Committee and Board where material.

Risks are prioritised based on impact, timing, exposure and the Group's ability to adapt. Risks within tolerance are monitored, while those exceeding tolerance require treatment actions such as mitigation, adaptation, transfer or avoidance. Climate risk may also exacerbate existing enterprise risks, including supply chain, property, product and regulatory risks.

During FY26, KMD reviewed its climate risk profile through workshops with subject matter experts (SMEs), reassessing existing risks, considering changes since FY25, and identifying emerging risks and opportunities. This review informed the refreshed assessment of KMD's climate-related impacts, including its physical and transition climate risks and opportunities, as described in Section 3.2.

Physical and transition risks are assessed annually. Physical risk ratings consider exposure, sensitivity and adaptive capacity across multiple climate scenarios, while transition risks are assessed based on impact and urgency. The results are evaluated within the broader ERM framework to prioritise risks requiring monitoring and treatment over time.

## 5. Metrics and targets

### 5.1 Our GHG emissions inventory

Our Kathmandu brand has been measuring and building on the reporting of its GHG emissions for over a decade. Since 2022, we have measured and reported our GHG emissions at a Group level following the acquisition and integration of the Rip Curl and Oboz brands.

#### 5.1.1 Emissions categories

The base year for our Scope 1, 2 and 3 emissions reporting is the period covering 1st August 2018 to 31st July 2019. This was the first year that data was available across the full Group, and a year not affected by any COVID-19 pandemic disruptions and trading conditions. Our Scope 1 emissions include direct emissions from sources within our operational control, such as fleet vehicles and gas heating. Scope 2 emissions include indirect emissions from the energy we purchase from electricity grids around the world. We disclose Scope 2 emissions calculated using both the location-based and market-based methods in our emissions reporting. The substantial majority of our GHG emissions resides in the Scope 3 categories, representing our supply chain and the raw material processing, manufacture and transportation of our products.

#### 5.1.2 Accounting, reporting boundary and verification

Our GHG inventory is prepared annually for the KMD Brands financial year, from 1 August to 31 July, using the operational control consolidation approach. Emissions are reported in tonnes of carbon dioxide equivalent (tCO2e), the standard unit of measurement to compare and account for various GHGs based on their global warming potential (GWP) and calculated in accordance with the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard and Corporate Value Chain (Scope 3) Standard.

Our GHG inventory includes direct emissions from activities within the operational boundaries of KMD Brands, including all owned and operated subsidiaries, offices, stores and operated distribution centres as well as the indirect emissions associated with our organisation's activities. We measure and report emissions data in our Scope 3 reporting boundary across each of the following GHG Protocol Scope 3 categories:

- Category 1: Purchased goods and services
- Category 2: Capital goods
- Category 3: Fuel and energy related activities
- Category 4: Upstream transportation and distribution
- Category 5: Waste generated in operations
- Category 6: Business travel
- Category 7: Employee commuting
- Category 9: Downstream transportation and distribution
- Category 11: Use of sold products
- Category 12: End-of-life treatment of sold products
- Category 14: Franchises
- Category 15: Investments

Categories 8 (upstream leased assets), 10 (processing of sold products) and 13 (downstream leased assets) are excluded because these activities are not relevant to the Group and no emissions have been identified for those categories. Table 1 in Appendix 4 describes other excluded emissions sources and the reasons for their exclusion (Scope 3 Reporting Boundary).

The boundary for our Scope 3 science-based target is narrower than our reporting boundary. It includes categories 1, 3, 4, 5, 11, 12 and 15. Categories 2, 6, 7, 9 and 14 are reported in our emissions inventory, but excluded from our Scope 3 target boundary (Scope 3 SBTi Target Boundary).

See Table 1 in Appendix 4 for a description of key methodologies, assumptions, emissions factors and exclusions applied when calculating our GHG emissions.

In FY26, Toitū Envirocare completed a limited assurance engagement over the Group's Scope 1, Scope 2 and Scope 3 emissions. The independent assurance report for FY26 is included in Appendix 4.



#### 5.1.3 Methods and uncertainty

Our inventory uses actual and estimated activity data and published emissions factors. Scope 3 estimates are inherently less certain because they rely on supplier information, spend-based data and industry-average factors. We continue to improve product-level and supplier data where possible and may restate prior periods when material changes in methodology, organisational structure or errors affect comparability.

Our GHG inventory is calculated using Toitū Envirocare's emissions calculation and reporting software platform 'emanage'. Emissions factors are sourced from a range of public and proprietary sources. These factors are selected and reviewed by KMD Brands when calculating our GHG inventory, prioritising relevance and endorsed data sets where available. When using emissions factors, we assume the selected factors are representative of the activity we are measuring based on available information. Due to the global nature of KMD Brands' operations, emissions factors are assessed and selected based on the location in which the emissions have occurred. Further methodology, assumptions, emissions factors and exclusions are provided in Table 1 Appendix 4.

To accurately track progress towards our GHG reduction targets over time, we will sometimes need to adjust our base year emissions inventory to account for significant changes to our business, methodological changes, the discovery of significant errors, and general improvements in reporting and data. Our recalculation policy is a 5% increase or decrease in total emissions due to changes and improvements in reporting practices. We may also choose to recalculate our baseline for changes less than 5%, particularly if structural changes to the business occur. During FY26, our base year data has remained unchanged.

### 5.2 Our targets and performance

#### 5.2.1 Scope 1 and 2 emissions

By 2030, KMD Brands commits to reduce absolute Scope 1 and 2 emissions by at least 47% from our FY19 base year. This target has been validated under the SBTi Criteria V5.0 for near-term targets. The SBTi's Target Validation Team classified our Scope 1 and 2 target ambition as being in line with a 1.5°C trajectory. Carbon offsets are not relied upon and do not contribute towards meeting this emissions reduction target.

| Target | FY26 Performance |
|---|---|
| *Reduce absolute Scope 1 and 2 emissions by a minimum of 47% by 31 July 2030, from a FY19 base year* | *41% decrease in Scope 1 and 2 emissions compared to FY19 base year and 19% decrease compared to FY25* |



In FY26, KMD Brands' total Scope 1 and 2 emissions (location-based) were 7,427 tonnes of carbon representing a 41% decrease in our 2019 base year on an absolute basis. Our combined Scope 1 and 2 emissions decreased by 19% in FY26 over our prior year.

Reported Scope 1 emissions decreased in FY26 compared to FY25, decreasing by 15%. Scope 1 emissions have reduced by 33% compared to our 2019 base year. This change is substantially due to reduced fleet vehicle travel, more fuel-efficient hybrid vehicles in the fleet and improved access to primary data.

Scope 2 location-based emissions decreased by 19% in FY26 over FY25 primarily due to a reduction in our store fleet during FY26 (net store movement in FY26: -10), as well as lower grid-average emissions factors in FY26. Overall, our Scope 2 emissions (location-based method) represent a 41% decrease on our base year. This is in large part due to the 'greening' of electricity grids across Australia, rather than individual actions by KMD Brands. Continued progress in reducing our Scope 2 emissions relies heavily on the Australian energy grid's ongoing shift towards renewable energy sources. Additionally, we must balance our investments in solar installations with our profitability and available capital, which may influence the speed at which we work towards our reduction targets.

Our FY26 Scope 1 & 2 emissions are set out in the KMD Brands GHG emissions inventory table opposite.

### 5.2.2 Scope 3 emissions

| Target | FY26 Performance |
|---|---|
| *Reduce absolute Scope 3 emissions by a minimum of 28% by 31 July 2030, from a FY19 base year*[1] | *64% decrease in Scope 3 emissions compared to our FY19 base year and 54% decrease compared to FY25* |

KMD Brands commits to reduce absolute Scope 3 emissions by a minimum of 28% by 31 July 2030 from a FY19 base year[1] (Scope 3 SBTi Target). The SBTi's Target Validation Team classified our Scope 3 target ambition as being in line with a well-below 2°C trajectory. Carbon offsets are not relied upon and do not contribute towards meeting this emissions reduction target.

During the reporting period, we have seen reductions in several Scope 3 emissions categories, such as those relating to purchased goods and services, upstream freight, waste and business travel when compared with FY25 and our base year of FY19. These reductions are primarily due to reductions in freight-related emissions, supported by a focus on packing efficiencies, and prioritising sea freight over air. Further Scope 3 reductions were a direct result of lower inventory purchases across the Group in FY26, as well as favourable downward trends in several Scope 3 emissions factors since our FY19 base year.

Our Scope 3 SBTi Target contains a number of risks, assumptions and dependencies that may impact our ability to reach the Target. In particular, data in Category 1 is calculated using a "spend-based" method, utilising data from the cost of purchasing goods and services, multiplied by an emissions factor based on industry averages. However, the activity data and emissions factor used may not be an accurate representation of the actual emissions footprint of individual product composition. We expect we will need to make further adjustments to our reported emissions profile particularly in this category as our access to higher quality and better representative data and emissions factors improves and new methodologies develop. This may impact our ability to reach our Scope 3 SBTi Target.

The table below summarises our operational GHG emissions data for the reporting period 1 August 2025 to 31 July 2026 with comparisons to our prior year and base year data from FY19.

**KMD Brands GHG emissions inventory**

| Category | FY19 base year emissions ($tCO_2e$)[2] | FY25 emissions ($tCO_2e$)[3] | FY26 emissions ($tCO_2e$)[4] | % change from base year | % change FY26 vs FY25 |
|---|---|---|---|---|---|
| **Scope 1** | 653 | 514 | 437 | -33% | -15% |
| **Scope 2** | | | | | |
| Scope 2 (location-based) | 11,934 | 8,663 | 6,991 | -41% | -19% |
| Scope 2 (market-based) | 10,474 | 10,568 | 8,453 | -19% | -20% |
| **SUBTOTAL: Scope 1 and 2 (location-based)** | 12,587 | 9,177 | 7,427 | -41% | -19% |
| **SUBTOTAL: Scope 1 and 2 (market-based)** | 11,127 | 11,082 | 8,889 | -20% | -20% |
| **Scope 3** | | | | | |
| Category 1: Purchased goods and services | Not reported | Not reported | 59,555 | n/a | n/a |
| Category 2: Capital goods | Not reported | Not reported | 3,732 | n/a | n/a |
| Category 3: Fuel and energy-related activities | Not reported | Not reported | 670 | n/a | n/a |
| Category 4: Upstream transportation and distribution | Not reported | Not reported | 4,742 | n/a | n/a |
| Category 5: Waste generated in operations | Not reported | Not reported | 990 | n/a | n/a |
| Category 6: Business travel | Not reported | Not reported | 1,174 | n/a | n/a |
| Category 7: Employee commuting | Not reported | Not reported | 2,543 | n/a | n/a |
| Category 9: Downstream transportation and distribution | Not reported | Not reported | 6,723 | n/a | n/a |
| Category 11: Use of sold products | Not reported | Not reported | 8 | n/a | n/a |
| Category 12: End-of-life treatment of sold products | Not reported | Not reported | 3,184 | n/a | n/a |
| Category 14: Franchises | Not reported | Not reported | 4,623 | n/a | n/a |
| Category 15: Investments | Not reported | Not reported | 179 | n/a | n/a |
| **SUBTOTAL: Scope 3 Reporting Boundary**[5] | 210,473 | 171,174 | 88,123 | -58% | -49% |
| **SUBTOTAL: Scope 3 SBTi Target Boundary**[6] | 192,895 | 151,374 | 69,328 | -64% | -54% |
| **TOTAL GHG emissions**[7] | | | | | |
| Scope 1, Scope 2 (location-based) & Scope 3 | 223,060 | 180,350 | 95,550 | -57% | -47% |
| Scope 1, Scope 2 (market-based) & Scope 3 | 221,600 | 182,255 | 97,012 | -56% | -47% |
| **Emissions intensity ratio (tCO2e / $million of revenue)**[8] | Not reported | 182 | 91 | n/a | -50% |

1. As set out in section 5.1.2 above, our Scope 3 SBTi Target Boundary includes the following GHG Protocol categories: 1 (purchased goods and services), 3 (fuel and energy related activities), 4 (upstream transportation and distribution), 5 (waste generated in operations), 11 (use of sold products), 12 (end of life treatment of sold products), and 15 (investments).
2. Our FY19 base year is partially verified including GHG Protocol Scopes 1, 2 & 3. The base year is estimated from a Scope 3 screening and verified inventories for Kathmandu, Rip Curl and Oboz from FY19, FY20 & FY21 respectively.
3. In FY25, KPMG was engaged to carry out a limited assurance review of our Scope 1 & 2 emissions. No assurance was obtained over FY25 Scope 3 emissions.
4. The FY26 Scope 1, 2 & 3 emissions data has been subject to a limited assurance engagement by Toitū Envirocare. Refer to Appendix 5 for the Assurance Statement.
5. Refer to paragraph 5.1.2 for information on our Scope 3 reporting boundary.
6. Our Scope 3 SBTi Target Boundary includes the following GHG Protocol categories: 1 (purchased goods and services), 3 (fuel and energy related activities), 4 (upstream transportation and distribution), 5 (waste generated in operations), 11 (use of sold products), 12 (end of life treatment of sold products), and 15 (investments).
7. Categories 11 and 12 link to emissions yet to occur for product use and disposal. These figures are validated emissions and are therefore reported separately from the verified emissions in the Toitū Assurance Report in Appendix 5, under the "Validation" section.
8. GHG emissions intensity has been calculated using Scope 1, Scope 2 (location-based) and total measured Scope 3 emissions.

# Modern Slavery Statement: Executive summary

**During FY26, KMD Brands strengthened its human rights due diligence program through expanded worker engagement, greater supply chain transparency and enhanced oversight of higher-risk workers and suppliers.**

Key areas of focus included foreign migrant worker recruitment practices, worker voice and freedom of association, and modern slavery risks beyond Tier 1 manufacturing.

Activities included engaging 1,280 workers through worker voice surveys, completing 385 social assessments across Tier 1-3 suppliers, increasing traced and publicly disclosed Tier 2 suppliers by 45%, updating the Supplier Code of Conduct to include buyer commitments and delivering human rights and modern slavery training to 549 employees. These activities improved visibility of modern slavery risks, strengthened responsible recruitment and worker protection efforts, and supported ongoing remediation and supplier capability-building across our global supply chain.

For more information on KMD Brands' approach to identifying, assessing and addressing modern slavery risks across our operations and supply chain, please refer to the **KMD Brands Modern Slavery Statement 2026**. The Statement provides further detail on our governance and accountability framework, human rights due diligence approach, risk assessment processes, worker voice initiatives, supplier monitoring and remediation activities, stakeholder collaboration, and how we measure the effectiveness of our actions.



# FY26 Key activities



### Worker Voice

**1,280**

workers engaged through anonymous worker voice surveys across Tier 1 and Tier 2 manufacturing facilities

### Supply Chain Traceability and Transparency

**45%**

increase in traced and publicly disclosed Tier 2 suppliers

**47%**

increase in Tier 2 social assessments completed



### Risk Identification

**385**

social assessments completed across Tier 1, Tier 2 and Tier 3 suppliers

**~3,000**

foreign migrant workers traced within KMD Brands' supply chain



### Capability Building and Awareness

Released a revised Supplier Code of Conduct incorporating buyer commitments and multilingual grievance channel

**549**

employees completed human rights training

Integrated ethical sourcing and modern slavery considerations into wider organisational risk management, including RAPID risk decision-making guidance



# APPENDICES

# 37

# Appendix 1: GRI index

**Statement of Use:** KMD Brands Limited has reported the information cited in this GRI content index for the financial year 1 August 2025 to 31 July 2026 with reference to the GRI Standards. The 2026 reporting suite referenced in this GRI Index can be accessed by visiting: **kmdbrands.com/reports**

**Contact point:** companysecretary@kmdbrands.com

**Published:** 25 November 2026

| GRI reference | Description | Document | Reference / response | Page # |
|---|---|---|---|---|
| **THE ORGANISATION AND ITS REPORTING PRACTICES** | | | | |
| **2-1** | Organisational details | Annual report | Overview – Our group, Our brands | P. 28-29 |
| **2-2** | Entities included in the organisation's sustainability reporting | Annual report | Overview – Global footprint<br>Financial report – Section 5: Group Structure | P. 30-31<br>P. 76-77 |
| **2-3** | Reporting period, frequency and contact point | – | Refer to statement of use above | – |
| **2-4** | Restatements of information | – | No restatements to report for FY26 | – |
| **2-5** | External assurance | Impact Report | Contents | P. 1 |
| **ACTIVITIES AND WORKERS** | | | | |
| **2-6** | Activities, value chain and other business relationships | Annual Report | Financial Report – Section 1: Basis of Preparation | P. 44-45 |
| **2-7** | Employees | Impact Report | Appendix 2. GRI additional tables | P. 40 |
| **2-8** | Workers who are not employees | – | The Group engages a small number of workers through third-party contractors to perform services at its sites. These workers are not employed or controlled by the Group | – |
| **GOVERNANCE** | | | | |
| **2-9** | Governance structure and composition | Impact Report<br>Annual Report | Overview - Governance at KMD Brands, Board of Directors, Executive team<br>Financial Report – Section 5: Group Structure | P. 7-8<br>P. 76 |
| **2-10** | Nomination and selection of the highest governance body | Annual Report | Corporate governance statement – Principle 2: Board composition and performance | P. 91-94 |
| **2-11** | Chair of the highest governance body | Annual Report | Corporate governance statement – Principle 2: Board composition and performance | P. 91-94 |
| **2-12** | Role of the highest governance body in overseeing the management of impacts | Annual Report<br>Impact Report | Overview – Our board and executive team, Corporate governance statement – Principle 3: Board Committees<br>Overview – Governance at KMD Brands, Group impact - Our approach to material topics | P. 32-33<br>P. 94-95<br>P. 7-8, 10 |
| **2-13** | Delegation of responsibility for managing impacts | Annual Report | Corporate governance statement – Principle 2: Board composition and performance | P. 91-94 |
| **2-14** | Role of the highest governance body in sustainability reporting | Impact Report | Group Impact - Our approach to material topics | P. 10 |
| **2-15** | Conflicts of interest | Annual Report | Corporate governance statement – Principle 1: Code of ethical behaviour | P. 90-91 |
| **2-16** | Communication of critical concerns | Annual Report | Corporate governance statement – Principle 1: Code of ethical behaviour | P. 90-91 |
| **2-17** | Collective knowledge of the highest governance body | Annual Report | Corporate governance statement – Principle 2: Board composition and performance | P. 91-94 |
| **2-18** | Evaluation of the performance of the highest governance body | Annual Report | Corporate governance statement – Principle 2: Board composition and performance | P. 91-94 |
| **2-19** | Remuneration policies | Annual Report | Corporate governance statement – Principle 5: Remuneration | P. 98-106 |
| **2-20** | Process to determine remuneration | Annual Report | Corporate governance statement – Principle 5: Remuneration | P. 98-106 |
| **2-21** | Annual total compensation ratio | Annual Report | Corporate governance statement – Principle 5: Remuneration | P. 98-106 |
| **STRATEGY, POLICIES AND PRACTICES** | | | | |
| **2-22** | Statement on sustainable development strategy | Impact Report | Overview – Governance at KMD Brands | P. 7 |
| **2-23** | Policy commitments | Modern Slavery Statement | About – Governance and Accountability: Policies and Standards | P. 4 |
| **2-24** | Embedding policy commitments | Impact Report | Overview – Governance at KMD Brands | P. 7 |
| **2-25** | Processes to remediate negative impacts | Modern Slavery Statement | Taking Action – Supplier Monitoring, Corrective Actions and Remediation | P. 8-10 |
| **2-26** | Mechanisms for seeking advice and raising concerns | Annual Report | Corporate governance statement – Principle 1: Code of ethical behaviour | P. 90-91 |
| **2-27** | Compliance with laws and regulations | Annual Report | Corporate governance statement – Principle 1: Code of ethical behaviour | P. 90-91 |
| **2-28** | Membership associations | Impact Report | Appendix 3: Group partners | P. 43 |
| **STAKEHOLDER ENGAGEMENT** | | | | |
| **2-29** | Approach to stakeholder engagement | Impact Report | Group Impact – Our approach to material topics | P. 10 |
| **2-30** | Collective bargaining agreements | – | Employees in France and Brazil as per legal requirements | – |
| **MATERIAL TOPICS** | | | | |
| **3-1** | Process to determine material topics | Impact Report | Group Impact - Our approach to material topics | P. 10 |
| **3-2** | List of material topics | Impact Report | Appendix 2. GRI additional tables: table 10 | P. 42 |
| **3-3** | Management of material topics | – | Refer to sections referenced within each material topic index | – |
| **GRI 205: ANTI-CORRUPTION** | | | | |
| **GRI 3** | 3-3 Management of material topics | Annual Report | Corporate governance statement – Principle 1: Code of ethical behaviour | P. 90-91 |
| **205-2** | Communication and training about anti-corruption policies and procedures | Annual Report | Corporate governance statement – Principle 1: Code of ethical behaviour | P. 90-91 |
| **GRI 301: MATERIALS** | | | | |
| **GRI 3** | 3-3 Management of material topics | Impact Report | Brand impact: Responsible materials | P. 15, 21, 26 |
| **301-1** | Materials used by weight or volume | – | By weight: Kathmandu 2523 tonnes, Rip Curl 3376 tonnes, Oboz 549 tonnes | – |
| **301-2** | Recycled input materials used | – | By weight: Kathmandu 1059 tonnes, Rip Curl 500 tonnes, Oboz 56 tonnes | – |
| **GRI 302: ENERGY** | | | | |
| **GRI 3** | 3-3 Management of material topics | Impact Report | Group Impact – Our approach to material issues | P. 10 |
| **302-1** | Total fuel consumption | Impact Report | Appendix 2: GRI additional tables – Table 13: Energy | P. 42 |
| **302-3** | Energy intensity ratio | Impact Report | Appendix 2: GRI additional tables – Table 13: Energy | P. 42 |

| GRI reference | Description | Document | Reference / response | Page # |
|---|---|---|---|---|
| **GRI 305: EMISSIONS** | | | | |
| **GRI 3** | 3-3 Management of material topics | Impact Report | Climate related disclosure – 5. Metrics and targets | P. 34 |
| **305-1** | Direct (Scope 1) GHG emissions | Impact Report | Climate related disclosure – Metrics and targets: KMD Brands GHG emissions inventory | P. 35 |
| **305-2** | Energy indirect (Scope 2) GHG emissions | Impact Report | Climate related disclosure – Metrics and targets: KMD Brands GHG emissions inventory | P. 35 |
| **305-3** | Other indirect (Scope 3) GHG emissions | Impact Report | Climate related disclosure – Metrics and targets: KMD Brands GHG emissions inventory | P. 35 |
| **305-4** | GHG emissions intensity | Impact Report | Climate related disclosure – Metrics and targets: KMD Brands GHG emissions inventory | P. 35 |
| **305-5** | Reduction of GHG emissions | Impact Report | Climate related disclosure - Metrics and targets: KMD Brands GHG emissions inventory | P. 35 |
| **GRI 306: WASTE** | | | | |
| **GRI 3** | 3-3 Management of material topics | Impact Report | Brand impact: Circularity | P. 16, 22, 27 |
| **306-1** | Waste generation and significant waste-related impacts for the organisation | Impact Report | Appendix 2: GRI additional tables – Table 11: Operational waste | P. 42 |
| **306-2** | Management of significant waste-related impacts | Impact Report | Brand impact: Circularity | P. 16, 22, 27 |
| **306-3** | Waste generated | Impact Report | Appendix 2: GRI additional tables – Table 11: Operational waste | P. 42 |
| **306-4** | Waste diverted from disposal | Impact Report | Appendix 2: GRI additional tables – Table 11: Operational waste | P. 42 |
| **306-5** | Waste directed to disposal | Impact Report | Appendix 2: GRI additional tables - Table 11: Operational waste | P. 42 |
| **GRI 308: SUPPLIER ENVIRONMENTAL ASSESSMENT** | | | | |
| **GRI 3** | 3-3 Management of material topics | Impact Report | Group Impact – Our approach to material topics | P. 10 |
| **308-1** | New suppliers that were screened using environmental criteria | Impact Report | Appendix 2: GRI additional tables – Table 14: Supplier environmental impact | P. 42 |
| **308-2** | Negative environmental impacts in the supply chain and actions taken | Impact Report | Appendix 2: GRI additional tables – Table 14: Supplier environmental impact | P. 42 |
| **GRI 401: EMPLOYMENT** | | | | |
| **GRI 3** | 3-3 Management of material topics | Impact Report | Group Impact – Our approach to material topics | P. 10 |
| **401-1** | New employee hires and employee turn over | Impact Report | Appendix 2: GRI additional tables – Table 1, Table 2, Table 3 | P. 40 |
| **401-2** | Benefits provided to full-time employees that are not provided to temporary or part-time employees | Impact Report | Appendix 2: GRI additional tables – Table 6: Employment benefits | P. 41 |
| **401-3** | Parental leave | Impact Report | Appendix 2: GRI additional tables – Table 7: Parental Leave | P. 41 |
| **GRI 403: OCCUPATIONAL HEALTH AND SAFETY** | | | | |
| **GRI 3** | 3-3 Management of material topics | Impact Report | Group Impact – Our approach to material topics | P. 10 |
| **403-1** | Occupational health and safety management system | Impact Report | Appendix 2: GRI additional tables – Table 9: Occupational health and safety management | P. 41 |
| **403-2** | Hazard identification, risk assessment, and incident investigation | Impact Report | Appendix 2: GRI additional tables – Table 9: Occupational health and safety management | P. 41 |
| **403-4** | Worker participation, consultation, and communication on occupational health and safety | Impact Report | Appendix 2: GRI additional tables – Table 9: Occupational health and safety management | P. 41 |
| **403-5** | Worker training on occupational health and safety | Impact Report | Appendix 2: GRI additional tables – Table 9: Occupational health and safety management | P. 41 |
| **403-6** | Promotion of worker health | Impact Report | Appendix 2: GRI additional tables – Table 9: Occupational health and safety management | P. 41 |
| **403-7** | Prevention and mitigation of occupational health and safety impacts directly linked by business relationships | Impact Report | Appendix 2: GRI additional tables – Table 9: Occupational health and safety management | P. 41 |
| **403-8** | Workers covered by an occupational health and safety management system | Impact Report | Appendix 2: GRI additional tables – Table 9: Occupational health and safety management | P. 41 |
| **403-9** | Work related injuries | Impact Report | Appendix 2: GRI additional tables – Table 9: Occupational health and safety management | P. 41 |
| **403-10** | Work related ill health | Impact Report | Appendix 2: GRI additional tables – Table 9: Occupational health and safety management | P. 41 |
| **GRI 404: TRAINING AND EDUCATION** | | | | |
| **GRI 3** | 3-3 Management of material topics | Impact Report | Group Impact – Our approach to material topics | P. 10 |
| **404-1** | Average hours of training per year per employee | Impact Report | Appendix 2: GRI additional tables – Table 8: Training hours and assistance programme | P. 41 |
| **404-2** | Programmes for upgrading employee skills and transition assistance programmes | Impact Report | Appendix 2: GRI additional tables – Table 8: Training hours and assistance programme | P. 41 |
| **404-3** | Percentage of employees receiving regular performance and career development reviews | Impact Report | Appendix 2: GRI additional tables – Table 8: Training hours and assistance programme | P. 41 |
| **GRI 405: DIVERSITY AND EQUAL OPPORTUNITY** | | | | |
| **GRI 3** | 3-3 Management of material topics | Impact Report | Group Impact – Our approach to material topics | P. 10 |
| **405-1** | Diversity of governance bodies and employees | Annual Report<br>Impact Report | Corporate governance statement – Principle 2: Board composition and performance<br>Overview – Global footprint, Appendix 2: GRI additional tables – Table 2: Employee data by gender, Table 3: Employee data by age" | P. 94-95<br>P. 6, 40 |
| **GRI 407: FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING** | | | | |
| **GRI 3** | 3-3 Management of material topics | Impact Report | Group Impact – Our approach to material topics | P. 10 |
| **407-1** | Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk | Modern Slavery Statement | Our Supply Chain Risk Profile: Worker Voice and Freedom of Association, Taking Action: Freedom of Association, Collective Bargaining and Grievance Mechanisms, Looking Ahead: Emerging Risks | P. 6, 10, 12 |
| **GRI 408: CHILD LABOUR** | | | | |
| **GRI 3** | 3-3 Management of material topics | Impact Report | Group Impact – Our approach to material topics | P. 10 |
| **408-1** | Operations and suppliers at significant risk for incidents of child labour | Modern Slavery Statement | Our Supply Chain Risk Profile: Children and Young Workers | P. 6 |
| **GRI 409: FORCED OR COMPULSORY LABOUR** | | | | |
| **GRI 3** | 3-3 Management of material topics | Impact Report | Group Impact – Our approach to material topics | P. 10 |
| **409-1** | Operations and suppliers considered to have significant risk for incidents of forced or compulsory labour | Modern Slavery Statement | Our supply chain risk profile | P. 5-7 |
| **GRI 414: SUPPLIER SOCIAL ASSESSMENT** | | | | |
| **GRI 3** | 3-3 Management of material topics | Impact Report | Group Impact – Our approach to material topics | P. 10 |
| **414-1** | New suppliers that were screened using social criteria | Modern Slavery Statement | Taking Action: Pre-Sourcing Assessments and Onboarding | P. 8-10 |
| **414-2** | Negative social impacts in the supply chain and actions taken | Modern Slavery Statement | Taking Action: Supplier Monitoring, Corrective Actions and Remediation | P. 10 |
| **GRI 416: CUSTOMER HEALTH AND SAFETY** | | | | |
| **GRI 3** | 3-3 Management of material topics | Impact Report | Group Impact – Our approach to material topics | P. 10 |
| **416-2** | Incidents of non-compliance concerning the health and safety impacts of products and service | – | No reportable incidents | – |
| **GRI 418: CUSTOMER PRIVACY** | | | | |
| **GRI 3** | 3-3 Management of material topics | Impact Report | Group Impact - Our approach to material topics | P. 10 |
| **418-1** | Substantiated complaints concerning breaches of customer privacy and losses of customer data | – | 3 total: 1 customer complaint substantiated, 1 litigation claim, 1 incident involving loss of customer data | – |

# Appendix 2: GRI Additional Tables

**TABLE 1: EMPLOYEE DATA BY REGION[1]**

| | AUS | NZ | THAI | USA | EUR | OTHER | TOTAL |
|---|---|---|---|---|---|---|---|
| **TOTAL** | **2590** | **634** | **301** | **381** | **308** | **151** | **4365** |
| **BY EMPLOYMENT TYPE** | | | | | | | |
| Full-time | 627 | 270 | 301 | 144 | 255 | 151 | **1748** |
| Part-time | 292 | 289 | 0 | 237 | 41 | 0 | **859** |
| Casual | 1671 | 75 | 0 | 0 | 12 | 0 | **1758** |
| **BY CONTRACT TYPE** | | | | | | | |
| Permanent | 896 | 545 | 301 | 143 | 224 | 151 | **2260** |
| Temporary | 23 | 14 | 0 | 11 | 74 | 0 | **122** |
| Non-guaranteed hours | 1671 | 75 | 0 | 227 | 10 | 0 | **1983** |
| **GENDER** | | | | | | | |
| Female | 1701 | 421 | 231 | 221 | 175 | 69 | **2818** |
| Male | 854 | 209 | 70 | 160 | 132 | 82 | **1507** |
| Other | 35 | 4 | 0 | 0 | 1 | 0 | **40** |
| **NEW HIRES** | | | | | | | |
| Number | 1416 | 305 | 10 | 250 | 137 | 58 | **2176** |
| Rate | 55% | 48% | 3% | 66% | 44% | 38% | **50%** |
| **TURNOVER** | | | | | | | |
| Number | 1460 | 320 | 81 | 298 | 124 | 82 | **2365** |
| Rate | 56% | 50% | 27% | 78% | 40% | 54% | **54%** |

**TABLE 2: EMPLOYEE DATA BY GENDER[1]**

| | FEMALE | MALE | UNDISCLOSED | TOTAL |
|---|---|---|---|---|
| **TOTAL** | **2818** | **1507** | **40** | **4365** |
| **BY EMPLOYMENT TYPE** | | | | |
| Full-time | 1077 | 663 | 8 | **1748** |
| Part-time | 568 | 288 | 3 | **859** |
| Casual | 1173 | 556 | 29 | **1758** |
| **BY CONTRACT TYPE** | | | | |
| Permanent | 1440 | 810 | 10 | **2260** |
| Temporary | 81 | 40 | 1 | **122** |
| Non-guaranteed hours | 1297 | 657 | 29 | **1983** |
| **BY LEVEL (%)** | | | | |
| Group Executive* | 44% | 56% | 0 | **100%** |
| Brand Executive | 35% | 65% | 0 | **100%** |
| Management | 53% | 46% | <1% | **100%** |
| Non-Management | 65.5% | 33.5% | 1% | **100%** |
| **NEW HIRES** | | | | |
| Number | 1361 | 779 | 36 | **2176** |
| Rate | 48% | 52% | 90% | **50%** |
| **TURNOVER** | | | | |
| Number | 1499 | 858 | 8 | **2365** |
| Rate | 53% | 57% | 20% | **54%** |

* Brent Scrimshaw is included in the Group Executive numbers for reporting purposes, however also sits on the Board.

**TABLE 3: EMPLOYEE DATA BY AGE[1]**

| | <30 | 30-50 | 50+ | TOTAL |
|---|---|---|---|---|
| **TOTAL** | **2493** | **1484** | **388** | **4365** |
| **BY EMPLOYMENT TYPE** | | | | |
| Full-time | 479 | 1021 | 248 | **1748** |
| Part-time | 564 | 223 | 72 | **859** |
| Casual | 1450 | 240 | 68 | **1758** |
| **BY CONTRACT TYPE** | | | | |
| Permanent | 767 | 1185 | 308 | **2260** |
| Temporary | 73 | 42 | 7 | **122** |
| Non-guaranteed hours | 1653 | 257 | 73 | **1983** |
| **BY LEVEL (%)** | | | | |
| Group Executive | 0% | 45% | 55% | **100%** |
| Brand Executive | 0% | 67% | 33% | **100%** |
| Management | 7% | 74% | 19% | **100%** |
| Non-Management | 61% | 31% | 8% | **100%** |
| **NEW HIRES** | | | | |
| Number | 1685 | 419 | 72 | **2176** |
| Rate | 68% | 28% | 19% | **50%** |
| **TURNOVER** | | | | |
| Number | 1687 | 584 | 94 | **2365** |
| Rate | 68% | 39% | 24% | **54%** |

**TABLE 4: EMPLOYEE DATA BY REGION AND BRAND[1]**

| Category | AUS | NZ | THAI | USA | EUR | OTHER | TOTAL |
|---|---|---|---|---|---|---|---|
| **TOTAL** | **2590** | **634** | **301** | **381** | **308** | **151** | **4365** |
| **KMD BRANDS** | | | | | | | |
| Full-time | 35 | 18 | 0 | 0 | 81 | 0 | **134** |
| Part-time | 10 | 6 | 0 | 0 | 6 | 0 | **22** |
| Casual | 1 | 0 | 0 | 0 | 0 | 0 | **1** |
| **KATHMANDU** | | | | | | | |
| Full-time | 292 | 236 | 0 | 0 | 2 | 0 | **530** |
| Part-time | 189 | 252 | 0 | 0 | 0 | 0 | **441** |
| Casual | 722 | 58 | 0 | 0 | 0 | 0 | **780** |
| **RIP CURL** | | | | | | | |
| Full-time | 300 | 16 | 301 | 104 | 171 | 151 | **1043** |
| Part-time | 93 | 31 | 0 | 236 | 35 | 0 | **395** |
| Casual | 948 | 17 | 0 | 0 | 12 | 0 | **977** |
| **OBOZ** | | | | | | | |
| Full-time | 0 | 0 | 0 | 40 | 1 | 0 | **41** |
| Part-time | 0 | 0 | 0 | 1 | 0 | 0 | **1** |
| Casual | 0 | 0 | 0 | 0 | 0 | 0 | **0** |

1. Employee data for the year ended 31 July 2026 has been updated from that reported in the 2026 Annual Report following further validation of workforce data, primarily relating to the United States. The updated data reflects improvements in data governance and reporting following the implementation of Dayforce as KMD Brands' global HR platform in October 2026.

**TABLE 5: EMPLOYEE DATA BY BRAND[1]**

| Category | KMD BRANDS | KATHMANDU | RIP CURL | OBOZ | TOTAL |
|---|---|---|---|---|---|
| **TOTAL** | **157** | **1751** | **2415** | **42** | **4365** |
| **EMPLOYMENT TYPE** | | | | | |
| Full-time | 134 | 530 | 1043 | 41 | 1748 |
| Part-time | 22 | 441 | 395 | 1 | 859 |
| Casual | 1 | 780 | 977 | 0 | 1758 |
| **AGE** | | | | | |
| <30 | 20 | 1003 | 1459 | 11 | 2493 |
| 30-50 | 105 | 559 | 796 | 24 | 1484 |
| 50+ | 32 | 189 | 160 | 7 | 388 |
| **GENDER** | | | | | |
| FEMALE | 92 | 1083 | 1618 | 25 | 2818 |
| MALE | 65 | 649 | 776 | 17 | 1507 |
| UNDISCLOSED | 0 | 19 | 21 | 0 | 40 |

**TABLE 6: EMPLOYMENT BENEFITS PROVIDED TO PERMANENT EMPLOYEES BUT NOT PROVIDED TO CASUAL EMPLOYEES**

| BENEFIT TYPE | BRAND / REGION BENEFIT APPLICABLE TO |
|---|---|
| Life insurance | KMD Brands – NZ head office, North America<br>Kathmandu – NZ head office, NZ DC & Retail Management<br>Rip Curl – Onsmooth, North America, Brazil<br>Oboz – North America |
| Health care/Insurance | KMD Brands – NZ head office, North America<br>Kathmandu – NZ head office, NZ DC & Retail Management<br>Rip Curl – Brazil, Indonesia, Onsmooth, North America<br>Oboz – North America |
| Disability and invalidity coverage | Rip Curl – Indonesia (work accident cover), North America (long term disability)<br>Oboz – North America (long term disability) |
| Parental leave | All brands – As per Government requirements<br>KMD Brands, Kathmandu, Rip Curl, Ozmosis - Australia and New Zealand 14 weeks paid primary carers leave, 2 weeks paid leave for the partner of a primary carer<br>Rip Curl – Brazil provides additional 60 days leave on top of Government requirement through Empresa Cidada programme, North America provides employees with 22 weeks job protection and 8 weeks paid leave for the primary carer<br>Oboz – North America provides 22 weeks job protection and 8 weeks paid leave for the primary carer |
| Retirement provision | All brands – per Government requirements<br>Rip Curl and Oboz – North America 401(k) plan offered |
| Others - to eligible employees | KMD Brands, Kathmandu, Rip Curl – New Zealand and Australia product allowance and discounts, flu vaccine, EAP, purchase leave, flexible working. Australia – novated leasing. New Zealand – Work Ride scheme<br>Rip Curl – Rice allowance (Indonesia and Onsmooth), Meal allowance (Brazil), Diligent allowance, Grieve compensation, Provident fund, Childbirth bonus, sports clubs (Onsmooth), on-site free gym, pickleball court, yoga (North America)<br>Oboz – North America product allowance and discounts, EAP, volunteering hours, ski days, on-site free gym |

**TABLE 7: PARENTAL LEAVE**

| | FEMALE | MALE | UNDISCLOSED | TOTAL |
|---|---|---|---|---|
| Number of employees by gender who were entitled to parental leave | 1376 | 761 | 10 | **2147** |
| Number of employees by gender who took parental leave | 55 | 12 | 0 | **67** |
| Number of employees who returned to work after parental leave ended by gender | 15 | 9 | 0 | **24** |
| The number of employees who returned to work after parental leave ended who were still employed 12 months after their return to work by gender | 32 | 7 | 0 | **35** |
| Retention rate of employees who returned to work after parental leave ended by gender | 27% | 75% | 0% | **36%** |
| Last year returned from parental leave | 27 | 9 | 0 | **36** |
| Retention rate of employees who returned to work after parental leave ended by gender from FY25 | 68% | 64% | 0 | **67%** |

**TABLE 8: TRAINING HOURS AND ASSISTANCE PROGRAMME**

| TOPIC | METHOD | METRIC |
|---|---|---|
| Anti-corruption | Redseed eLearning | 732 employees assigned / 49% completion |
| Average hours overall by employee | Redseed eLearning<br>Face-to-face learning<br>Total | 3 hours and 43 minutes<br>32 minutes<br>4 hours and 15 minutes |
| Employee upskilling programmes | Redseed eLearning | - Diversity, Equity, and Inclusion (DEI) module<br>- Health, Safety & Wellbeing module<br>- Workplace Ethics & Code of Conduct module<br>- Modern Slavery Awareness module<br>- Cyber Security & Data Privacy module |
| Bespoke workshops | Face-to-face facilitated | - Team Collaboration & Communication<br>- Time Management & Productivity<br>- Leadership Capability<br>- Retail Sales & Customer Experience<br>- Conflict Resolution |
| Employee assistance programme (EAP) | Converge App and hotline | Offered to all employees<br>Termination support programmes: Navigating Workplace Change, Career Transition and support |
| Formal performance reviews | Mid-year check in | Enrolled: 3067 employees<br>Completed: 1643 employees<br>Completion rate: 54% |

**TABLE 9: OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT**

| TOPIC | DESCRIPTION | RESPONSE |
|---|---|---|
| Occupational Health & Safety Management System | Describe OHS management system (OHSMS) | KMD Brands OHSMS is currently in development and will align with ISO45001 & ISO45003, with an intent to cover all workplaces operated by KMD Brands, inclusive of retail stores, showrooms, head office, and warehouses. |
| Hazard Identification, Risk Assessment & Incident Investigation | Explain processes for identifying hazards and investigating incidents | Identifying hazards through workplace inspections, risk assessments, audits, scheduled maintenance, purchasing, contractor engagement, training, incident reports, and codes of practice/standards. Hazards are reported in Safety Champion (software system). We display QR codes that allow team to report anonymously if they wish via their personal device. Incident hotline also available. Incident investigation processes are used to determine corrective actions. These are recorded in Safety Champion and tracked for completion. |
| Occupational Health Services | Occupational health services available to workers | Access to an Employee Assistance Programme (EAP), mental health and wellbeing resources, injury management and return-to-work support and ergonomic assessments where required (AU/NZ). |
| Worker Participation & Consultation | Worker involvement in OHS decisions | Established Health & Safety committees who meet monthly with worker representation. |
| Worker Training on OHS | Training provided to workers | Incident and hazard reporting, emergency preparedness and response, ergonomics, hazards relevant to their site, occupational violence & aggression, bullying harassment & discrimination; some workers also receive first aid and/or mental health first aid & driver safety (ANZ/US) |
| Promotion of Worker Health | Programmes promoting worker health | Wellbeing programme and EAP to access mental health and wellbeing services, skin checks, flu vaccinations |
| Prevention & Mitigation of OHS Impacts in Business Relationships | OHS controls applied to contractors and suppliers | Partial implementation for retail stores. New contractor management procedure being developed |
| Workers Covered by an OHS Management System | Coverage of workers under OHS system | 100% employees and contractors under operational control are covered |
| Work-Related Injuries | Report injury performance metrics | Zero fatalities; LTIFR 6.79; TRIFR 9.68, main types of injuries sprain & strain, impact, and musculoskeletal injuries |
| Work-Related Ill Health | Report occupational illnesses | Zero fatalities; 11 ill-health cases total with 5 mental health conditions recorded |

**TABLE 10: OUR MATERIAL TOPICS**

| TOPIC | DESCRIPTION |
|---|---|
| Harmful substances | Identifying, managing and eliminating harmful substances in the manufacture of our products to protect human health and the environment, complying with international regulations and industry standards. |
| Responsible design and materials | Creating innovative, industry-leading products that appeal to our customers, build brand recognition globally, and use responsibly sourced materials to minimise waste across our supply chain. |
| Customer experience | Delivering high-quality products and services, fostering positive customer experiences and addressing customer needs and concerns to cultivate trust and loyalty. |
| Supply chain human rights and transparency | Implementing and monitoring transparent processes and systems to address modern slavery and other human rights risks, and to uphold workers' rights in our supply chain. |
| Responsible leadership and ethical conduct | Adhering to high standards of ethical, accountable and transparent corporate governance and public reporting, and actively addressing dishonest and fraudulent conduct. |
| People and wellbeing | Providing a people-centred workplace and culture that values inclusivity and equity, and that fosters health, safety and wellbeing, and attracts, retains and supports high-performance talent. |
| Economic performance and operational excellence | Driving long-term value by maximising synergies, streamlining processes and optimising financial and operational performance while keeping pace with global best practice. |
| Cyber, data security and privacy | Safeguarding information through resilient systems, protecting personal data, and ensuring responsible use of customer and stakeholder information in compliance with global privacy standards. |
| Supply chain management | Responding to global logistics challenges, including geopolitical tensions, shipping delays, port congestion and freight access, to support access to raw materials, and predictable and consistent movement of products to customers. |
| Digital transformation | Leveraging digital technology and data-driven insights to enhance decision-making, accelerate growth in our direct-to-consumer business, improve customer experiences, drive operational efficiency and foster organisational innovation. |
| Climate change, energy and emissions | Addressing climate change, improving energy efficiency and reducing emissions by integrating climate resilience into strategy, optimising energy management and reducing our operational and supply chain footprint. |
| Biodiversity, water, waste and environmental protection | Protecting biodiversity and ecosystem capacity, managing water use and reducing waste by designing for circularity across products and packaging. |

**TABLE 11: OPERATIONAL WASTE**

| Operational Waste Generated for FY26 In Metric Tonnes | |
|---|---|
| Soft plastics recycled | 41.3 |
| Mixed plastics recycled | 214.9 |
| Paper and cardboard recycled | 941.5 |
| Glass and aluminium recycled | 1.4 |
| Neoprene offcuts recycled | 142.3 |
| Organic composting | 4.2 |
| **Total operational waste diverted** | **1,345.5** |
| Store/warehouses/offices/factory waste to landfill | 424.8 |
| **Total operational waste[1]** | **1,770.3** |
| **Total % diverted** | **76%** |

1. FY26 reported figures are based on verified data for our own operations across 335 sites in Australia, New Zealand, Indonesia, Thailand, Brazil, Europe, USA and Canada. Where primary data was not available, estimates have been used based on similar sites from our own operations or industry average figures.

**TABLE 12: POST-CONSUMER WASTE**

| POST-CONSUMER WASTE RECOVERY (metric tonnes) | FY25 | FY26 | Total FY22 to FY26 |
|---|---|---|---|
| Recycle My Rubber | 29.1 | 12.1 | 89.4 |
| Upparel | 7.0 | 2.8 | 12.7 |
| ImpacTex | 0.4 | 0.7 | 1.5 |
| **TOTAL TEXTILE WASTE RECOVERY** | **36.5** | **15.7** | **103.5** |

**TABLE 13: ENERGY**

**FY26 Energy Consumption[1]**

| | FY26 consumption | Units | FY26 energy (GJ)[4] |
|---|---|---|---|
| **Non-renewable fuel consumed** | | | |
| Diesel | 56,229.0 | litres | 2,141.0 |
| LPG | 10,106.0 | kg | 505.3 |
| Natural Gas | 3,704.3 | Therm | 390.8 |
| Petrol[2] | 100,847.5 | litres | 3,476.7 |
| **SUBTOTAL** | | | **6,513.8** |
| **Renewable fuel consumed** | | | |
| Ethanol | 961.1 | litres | 22.5 |
| Solar PV-rooftop[3] | 499,150.8 | kWh | 1,796.9 |
| **SUBTOTAL** | | | **1,819.4** |
| **Electricity consumed** | | | |
| Purchased Electricity | 16,130,831.6 | kWh | 58,071.0 |
| **SUBTOTAL** | | | **58,071.0** |
| **Total energy consumption** | | | **66,404.2** |
| **Energy intensity ratio (GJ / $million of revenue)** | | | **63** |

1. Includes all fuel and energy consumption within the Group's operations aligned to our Scope 1 and 2 emissions reporting.
2. Petrol includes both regular and premium grades, as they have identical energy content per litre despite different octane ratings.
3. Solar PV generated across our sites with rooftop solar, all consumed on site.
4. Energy content conversion factors from New Zealand Ministry for the Environment's Measuring Emissions Catalogue 2026 v1 have been used for the conversion of diesel, petrol and LPG fuels into GJ. The Australian National Greenhouse Accounts Factors 2026 has been used for the conversion of ethanol fuel into GJ. The conversion of natural gas from Therms, and electricity from kWh, are both standard energy conversions.

**TABLE 14: SUPPLIER ENVIRONMENTAL IMPACT**

| TOPIC | RESPONSE |
|---|---|
| Process of identifying environmental impacts | - Supplier screening<br>- Independent audits<br>- The Higg Facility Environmental Module (FEM) |
| Management of impacts | - investigate causes<br>- implement corrective actions<br>- monitor progress |
| Environmental assessments metrics | - 100% of new Tier 1 suppliers screened using internal environmental assessment*<br>- 56% of new Tier 1 suppliers (10) and 37% of new Tier 2 suppliers (26) screened using third-party verified environmental assessments<br>- 169 suppliers completed verified environmental assessments using the Higg Facility Environmental Module (FEM)<br>- 245 suppliers underwent third-party social audits that included environmental compliance criteria<br>- 31 suppliers identified as having critical actual or potential negative environmental impacts<br>- Improvements agreed upon with 64% (20) of suppliers identified as having critical impacts<br>- Discussions ongoing with 23% (7) of suppliers and no improvement plans agreed with 13% (4) suppliers<br>- No supplier relationships terminated because of environmental assessment |
| List of critical actual or potential negative environmental impacts | - Abstracting groundwater beyond the legal limit<br>- Non-compliance with local environmental permits, reporting or testing<br>- Potential soil or groundwater contamination<br>- Non-compliance with wastewater treatment requirements<br>- Failure to adequately monitor indoor air quality |

*Environmental assessment incorporates criteria relating to preferred fibre usage, environmental certifications and investment in green technology.

# Appendix 3: Our partners

KMD BRANDS

TOITŪ ENVIROCARE

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

Textile Exchange Member

Converge INTERNATIONAL

RESETcarbon AN LRQA COMPANY

worldly

LaborSolutions

International ACCORD for Health and Safety in the Textile and Garment Industry

Social & Labor Convergence Program

Kathmandu®

GRAEME DINGLE FOUNDATION
Empowering kids to overcome life's obstacles
Whakamanawatia ngā tamariki kia eke panuku.

RAINBOW TICK
www.toitūtakatāpui.co.nz

Fashion &Textiles NEW ZEALAND

RIPCURL

SURFAID

SURFRIDER FOUNDATION AUSTRALIA

Seamless Member

Obōz®

veritree

WILD MONTANA

The Conservation Alliance
Outdoor Business Giving Back to the Outdoors

# Appendix 4: Climate related disclosure tables

**Table 1: GHG emissions sources, methods, assumptions, exclusions and uncertainty**

| GHG Protocol Scope & Category | Activity Measured | Emissions Factor Source | | Methodology, key assumptions, exclusions and uncertainty (qualitative) |
|---|---|---|---|---|
| **Scope 1**<br>**Direct emissions sources** | Direct emissions from mobile combustion of fuel used in company-owned vehicles.<br>Direct emissions from stationary combustion of fuels used to produce heat, steam and/or electricity. | DCCEEW (2025)<br>DESNZ (2025)<br>DESNZ (2026)<br>MfE (2026)<br>USEPA (2025)<br>Toitū | | Activity data is sourced from fleet management portal, internal financial reporting and supplier invoices.<br>Average-data method: the unit of fuel consumed multiplied by relevant fuel emission factor (petrol, diesel, LPG and natural gas).<br>Excludes fugitive emissions due to immateriality.<br>High certainty in activity data and emissions factor sources. |
| **Scope 2 (location-based method)**<br>**Purchased electricity** | Indirect, location-based emissions from imported electricity for owned and operated sites. | DCCEEW (2025)<br>USEPA (2025)<br>TMOE (2025)<br>MfE (2026)<br>PLN (2026)<br>AIB (2026)<br>RTE (2025) | BRA MSTI (2025)<br>DESNZ (2025)<br>CAN ECCC (2025)<br>DESNZ (2026)<br>UBA (2026)<br>IEA (2025) | Activity data is sourced from supplier invoices and our third-party energy monitoring system.<br>Average-data method: kWh electricity consumed multiplied by local electricity emissions factor.<br>Assumes utility provider reporting is accurate.<br>High certainty in activity data and emissions factor sources. |
| **Scope 2 (market-based method)**<br>**Purchased electricity** | Indirect, market-based emissions from imported electricity for owned and operated sites. | AIB (2026)<br>BRA MSTI (2025)<br>BraveTrace (2026)<br>CAN ECCC (2025)<br>DCCEEW (2025) | Green-e (2025)<br>IEA (2025)<br>PLN (2026)<br>TMOE (2025)<br>USEPA (2025) | Activity data is sourced from supplier invoices and our third-party energy monitoring system.<br>Average-data method: kWh electricity consumed multiplied by market or residual-mix factor.<br>Market and residual-mix factors are unavailable in some territories where we operate; assumes the location-based method is a representative proxy.<br>High certainty in activity data.<br>Medium certainty in emissions factor sources. |
| **Scope 3 Category 1.**<br>**Purchased goods and services** | Indirect emissions from the upstream cradle-to-gate processes for the production and delivery of purchased goods and services to our organisation. | thinkstep (2024)<br>DESNZ (2025) | | Activity data is sourced from internal financial reporting.<br>Spend-based screening method: $NZD spent on purchased goods and services multiplied by relevant emissions factor for GL code.<br>Assumes all upstream raw materials, processing, assembly and transportation between manufacturing stages (cradle-to-gate) is in scope of selected emissions factor.<br>Assumes emissions from the manufacturing of all purchased inventory are equivalent to apparel manufacturing.<br>Low certainty in activity data and emissions factor sources. |
| **Scope 3 Category 2.**<br>**Capital goods** | Indirect emissions from the upstream cradle-to-gate processes for the production and delivery of capital goods to our organisation. | thinkstep (2024)<br>MEL (2023) | | Activity data is sourced from internal financial reporting.<br>Spend-based screening method: $NZD spent on capital goods multiplied by relevant emissions factor for GL code.<br>Assumes all upstream raw materials, processing, assembly and transportation between manufacturing stages (cradle-to-gate) is in scope of selected emissions factor.<br>Low certainty in activity data and emissions factor sources. |
| **Scope 3 Category 3.**<br>**Fuel and energy related activities** | Indirect emissions from the transmission and distribution losses that occur in electricity grids that we purchase electricity from. | DCCEEW (2025)<br>USEPA (2025)<br>MfE (2026)<br>PLN (2026)<br>DESNZ (2025)<br>DESNZ (2026) | AIB (2026)<br>RTE (2025)<br>BRA MSTI (2025)<br>CAN ECCC (2025)<br>UBA (2026)<br>IEA (2025) | Activity data is sourced from supplier invoices and our third-party energy monitoring system.<br>Average-data method: kWh electricity consumed multiplied by relevant electricity emissions factor for transmission and distribution losses in the applicable territory.<br>Assumes utility provider reporting is accurate.<br>Excludes the indirect lifecycle emissions associated with the extraction, production and transport of the fuels used by the company and generation of electricity purchased by the company due to being de minimis.<br>High certainty in activity data.<br>Medium certainty in emissions factor sources. |

| GHG Protocol Scope & Category | Activity Measured | Emissions Factor Source | Methodology, key assumptions, exclusions and uncertainty (qualitative) |
|---|---|---|---|
| **Scope 3 Category 4. Upstream transportation and distribution** | Indirect emissions from the transportation and distribution of our purchased inventory from the port of origin to the point of receipt, such as a distribution centre or store. | DESNZ (2025)<br>DESNZ (2026)<br>MfE (2026) | Activity data is sourced from internal supply-chain reporting, supplier provided impact reporting and estimates of average distances travelled between port of origin and receipt, as well as between distribution centres and end customers.<br>Average-data method: tonnes per estimated kilometre travelled multiplied by emission factor for relevant mode (air, sea or road).<br>Assumes the cradle-to-gate transportation of materials and components during manufacturing, prior to us taking ownership of finished goods, is accounted for in Scope 3 Category 1 and 2.<br>Medium certainty in activity data.<br>Low certainty in emissions factor sources. |
| **Scope 3 Category 5. Waste generated in operations** | Indirect emissions from waste generated at operated sites. | Turner et al. (2015)<br>DCCEEW (2025)<br>MfE (2026)<br>DESNZ (2025)<br>DESNZ (2026) | Activity data is sourced from supplier-provided waste reporting.<br>Average-data method: mass disposed by waste stream (landfill, and recycling including: mixed plastics, paper, cardboard, soft plastics, glass, aluminium, neoprene).<br>Assumes primary data from waste management providers is accurate and can be used as a representative proxy for operational waste where primary data is unavailable.<br>Assumes mixed plastic recycling is a suitable emissions factor for neoprene recycling.<br>Low certainty in activity data and emissions factor sources. |
| **Scope 3 Category 6. Business travel** | Indirect emissions from business-related air and road travel. | MfE (2026)<br>DESNZ (2025)<br>DESNZ (2026)<br>DCCEEW (2025)<br>Toitū | Activity data is sourced from corporate travel agency and internal financial reporting.<br>Average-data method: distance travelled by class (economy, premium economy, business or first class) or mode (taxi, rental vehicle, Uber or Uber Green) multiplied by relevant emissions factor.<br>Assumes reporting from corporate travel agency is accurate.<br>Medium certainty in activity data and emissions factor sources. |
| **Scope 3 Category 7. Employee commuting** | Indirect emissions from employees commuting to their place of work. | MfE (2026) | Activity data is sourced from an estimated average commute derived from Statistics New Zealand and applied to the number of full-time employees globally.<br>Average-data screening method: estimated distance travelled and emissions factor for a medium sized petrol vehicle.<br>Assumes Auckland statistics are representative of global locations and four weeks annual leave is taken.<br>Assumes New Zealand MfE factors are representative of global road vehicles.<br>Excludes casual employees and time worked from home.<br>Low certainty in activity data and emissions factor sources. |
| **Scope 3 Category 9. Downstream transportation and distribution** | Indirect emissions from purchased electricity for third-party operated sites owned and operated by our wholesale customers. | Ember (2026) – with major processing by Our World in Data | Activity data is sourced from internal financial reporting, supplier invoices and our third-party energy monitoring system.<br>Average-data method: 5% of the average annual kWh consumption at Kathmandu and Rip Curl operated stores multiplied by local grid electricity emissions factor.<br>Assumes the impact of wholesale customers operating a retail store is similar to the impact of our own retail operations. This impact is allocated at 5%, based off utilisation rates in our own operations and the estimated space occupied by the goods of other brands that these retailers stock.<br>Low certainty in activity data and emissions factor sources. |

| GHG Protocol Scope & Category | Activity Measured | Emissions Factor Source | Methodology, key assumptions, exclusions and uncertainty (qualitative) |
|---|---|---|---|
| **Scope 3 Category 11. Use of sold products** | Indirect emissions from customer use of sold products that directly consume electricity or contain fuel. | MfE (2026)<br>DCCEEW (2025)<br>DESNZ (2026) | Activity data is sourced from internal financial reporting.<br>Average-data method: estimated lifetime consumption of electricity of sold electrical products multiplied by local electricity emissions factor.<br>Average-data method: combustion of cooking fuel from sold gas products multiplied by relevant fuel emission factor (Propane, Butane and Isobutane).<br>For electrical products, we assume customers follow user instructions and use sold products in the country of purchase for approximately four years.<br>Excludes the indirect use phase emissions from the laundering and care of sold products due to this being optional under GHG Protocol.<br>For gas products we assume customers combust the entire contents of the product.<br>Low certainty in activity data.<br>Medium certainty in emissions factor sources. |
| **Scope 3 Category 12. End-of-life treatment of sold products** | Indirect emissions of end-of-life treatment of sold products. | DESNZ (2026) | Activity data is sourced from internal financial reporting.<br>Average-data method: average mass of sold products in reporting year multiplied by emissions factor for textiles in landfill.<br>Assumes all product is destined for landfill eventually and has an equal impact to textiles in landfill.<br>Medium certainty in activity data.<br>Low certainty in emissions factor sources. |
| **Scope 3 Category 14. Franchises** | Indirect Scope 2 emissions from purchased electricity for third-party operated sites owned and operated by licensees under the Rip Curl name. | Ember (2026) – with major processing by Our World in Data. | Activity data is sourced from internal financial reporting, supplier invoices and our third-party energy monitoring system.<br>Average-data method: average annual kWh consumed at operated Rip Curl stores multiplied by local electricity emissions factor.<br>Assumes utility provider reporting is accurate and licensed stores have a similar impact to our operated stores.<br>Excludes the Scope 1 emissions associated with franchised operations (e.g. fuel combustion or refrigerants) due to immateriality.<br>Low certainty in activity data and emissions factor sources. |
| **Scope 3 Category 15. Investments** | Indirect emissions from our joint-venture Rip Curl Thailand. | n/a - no specific emission factor is used for this source, as it is based off the emissions intensity of Rip Curl. | Activity data is sourced from internal financial reporting.<br>Average-data screening method: $m revenue from Rip Curl Thailand multiplied by emissions intensity ($tCO_2e$/$m) of Rip Curl operations / 49.99% ownership.<br>Assumes Rip Curl Thailand has a similar emissions intensity to sites operated by Rip Curl Globally.<br>Low certainty in activity data and emissions factor sources. |

**Table 2: Glossary**

| Term | Definition |
|---|---|
| **AIB (2026)** | European Residual Mixes. Association of Issuing Bodies. Brussels, Belgium.<br>IPCC Sixth Assessment Report (AR6) |
| **BRA MSTI (2025)** | Brazilian Ministry of Science, Technology and Innovation. CO2 emission factors for electricity generation in the Brazilian National Interconnected System. Brasília, Brazil.<br>IPCC Fifth Assessment Report (AR5) |
| **BraveTrace (2026)** | BraveTrace. Annual Production Year Report: Including Residual Supply Mix (RSM) for New Zealand. Auckland, New Zealand. |
| **CAN ECCC (2025)** | Canadian Ministry for Environment and Climate Change Canada (ECCC). Canada's Official Greenhouse Gas Inventory - ECCC Data Catalogue. Quebec, Canada.<br>IPCC Fifth Assessment Report (AR5) |
| **DCCEEW (2025)** | Australian Department of Climate Change, Energy, the Environment and Water. National Greenhouse Accounts Factors. Canberra, Australia<br>IPCC Fifth Assessment Report (AR5) |
| **DESNZ (2025)** | UK Department for Business, Energy and Industrial Strategy. Government greenhouse gas conversion factors for company reporting. London, United Kingdom.<br>IPCC Fifth Assessment Report (AR5) |
| **DESNZ (2026)** | UK Department for Business, Energy and Industrial Strategy. Government greenhouse gas conversion factors for company reporting. London, United Kingdom.<br>IPCC Fifth Assessment Report (AR5) |
| **GHG** | Greenhouse gas emissions |
| **Green-e** | Green-e® certification programme. Green-e® is a programme of the nonprofit Center for Resource Solutions, based in San Francisco, USA. |
| **IEA (2025)** | International Energy Agency. IEA Emission factors. Paris, France.<br>IPCC Fifth Assessment Report (AR5) |
| **IPCC** | Intergovernmental Panel on Climate Change |
| **KMD Brands or the Group** | KMD Brands Limited and its subsidiaries |

| Term | Definition |
|---|---|
| **MEL (2023)** | Market Economics Limited \| Auckland Council Environmental Services.<br>IPCC Fifth Assessment Report (AR5) |
| **MfE (2026)** | New Zealand Ministry for the Environment. MfE Guidance for Voluntary Greenhouse Gas Reporting. Wellington, New Zealand.<br>IPCC Fifth Assessment Report (AR5) |
| **PLN (2026)** | PLN (State Electricity Company). Sustainability Report. Jakarta, Indonesia.<br>IPCC Fifth Assessment Report (AR5) |
| **RTE (2025)** | Le Réseau de Transport d'Électricité. Bilan Electrique Rapport Complete. Paris, France.<br>IPCC Fifth Assessment Report (AR5) |
| **SBTi** | Science Based Target initiative |
| **Scope 3 SBTi Target** | KMD Brands approved Scope 3 SBTi target |
| **$tCO_2e$** | Tonne of carbon dioxide equivalent |
| **thinkstep (2024)** | Emission Factors for New Zealand: Greenhouse Gas Emission Intensities for Commodities and Industries.<br>IPCC Fifth Assessment Report (AR5) |
| **TMOE (2025)** | Thailand Ministry of Energy. Energy Statistics, CO2 Statistic. Emissions Dashboard. Energy Policy and Planning Office, Ministry of Energy, Royal Thai Government.<br>IPCC Fourth Assessment Report (AR4) |
| **Turner et al. (2015)** | Greenhouse gas emission factors for recycling of source-segregated waste materials. Resources, Conservation and Recycling. 2015, Pages 186-197.<br>IPCC Fourth Assessment Report (AR4) |
| **UBA (2026)** | Umweltbundesamt (UBA) (German Federal Environment Agency). List of emission factors for the greenhouse gas accounting of organisations. Dessau-Roßlau, Germany.<br>IPCC Fifth Assessment Report (AR5) |
| **USEPA (2025)** | U.S. Environmental Protection Agency. Emission Factors for Greenhouse Gas Inventories. Washington, DC, USA.<br>IPCC Fifth Assessment Report (AR5) |

**Appendix 5: Toitū Assurance Report**

TOITŪ ENVIROCARE

# INDEPENDENT AUDIT OPINION
# Toitū Verification and Validation

## To the intended users

| | |
|---|---|
| Organisation subject to audit: | KMD Brands Managed Services (NZ) Limited |
| Audit Criteria: | Greenhouse Gas Protocol: A Corporate Accounting and Standard (2004)<br>GHG Protocol Supply Chain (Scope 3) Standard: 2011<br>ISO 14064-3:2019<br>Technical Requirements – Audit V3 |
| Responsible Party: | KMD Brands Managed Services (NZ) Limited |
| Intended users: | The intended users of the GHG inventory are the financial community and KMD Brands management. (1.3.2) |
| Registered address: | 223 Tuam Street, Christchurch, 8011, New Zealand |
| Inventory period: | 1/08/2025 - 31/07/2026 |
| Inventory report: | IMR_2526_KMD Brands Managed Services (NZ) Limited_VO_Org.pdf |

We have reviewed the greenhouse gas emissions inventory report ("the inventory report") for the above named Responsible Party for the stated inventory period.

## Responsible Party's Responsibilities

The Management of the Responsible Party is responsible for the preparation of the GHG statement in accordance with GHG Protocol Corporate Standard: 2004 and the GHG Protocol Supply Chain (Scope 3) Standard: 2011. This responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation of a GHG statement that is free from material misstatement.

## Verifiers' & Validtors' Responsibilities

Our responsibility as verifiers is to express a verification opinion to the agreed level of assurance on the inventory report, based on the evidence we have obtained and in accordance with the audit criteria. We conducted our verification engagement as agreed in the pre-audit engagement letter, which defines the scope, objectives, criteria and level of assurance of the verification.

Our responsibility as validators is to express an opinion on the forecast based on our validation. We conduct our validation in accordance with the ISO specification with guidance for the verification and validation of greenhouse gas statements, i.e. ISO 14064-3. This International Standard requires that we plan and perform the validation to reach a conclusion as to whether the forecast in the GHG statement is based on reasonable assumptions.

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The International Standard ISO 14064-3:2019 requires that we comply with ethical requirements and plan and perform the verification to obtain the agreed level of assurance that the GHG emissions, removals and storage in the GHG statement are free from material misstatement.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit carried out in accordance with the ISO 14064-3:2019 Standards will always detect a material misstatement when it exists. The procedures performed on a limited level of assurance vary in nature and timing from, and are less in extent compared to reasonable assurance, which is a high level of assurance. The procedures performed on a limited level of assurance vary in nature and timing from, and are less in extent compared to reasonable assurance, which is a high level of assurance. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers, taken on the basis of the information we audited.

GHG quantification is subject to inherent uncertainty because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases.

## Basis of verification opinion

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Verification

We have undertaken a verification engagement relating to the Greenhouse Gas Emissions Inventory Report (the 'Inventory Report')/Emissions Inventory and Management Report of the organisation listed at the top of this statement and described in the emissions inventory report for the period stated above.

The Inventory Report provides information about the greenhouse gas emissions of the organisation for the defined measurement period and is based on historical information. This information is stated in accordance with the requirements of GHG Protocol Corporate Standard: 2004 and the GHG Protocol Supply Chain (Scope 3) Standard: 2011.

## Verification strategy

Our verification strategy used a combined data and controls testing approach. Evidence-gathering procedures included but were not limited to:
—activities to inspect the completeness of the inventory;
—interviews of site personnel to confirm operational behaviour and standard operating procedures;
— detailed retracing of pre-calculated emissions related to Purchase Goods and Services, Downstream transportation and distribution and Franchises;
— recalculation of emissions;
The data examined during the verification were historical in nature.

## Basis for modified verification opinion

The following qualifications have been raised in relation to the verification opinion: The opinion is unmodified.

Scope 3 emission sources for purchased goods & services, capital goods, downstream retail and storage, use of sold products, end of life treatment, franchises, and investments are heavily assumptions based, using dollar spend data and an industry average to estimate emissions. Any change in assumptions could significantly impact the measurement of these emissions.

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## Verification level of assurance

| ISO CATEGORY | LOCATION BASED $tCO_2e$ | MARKET BASED tCO e | LEVEL OF ASSURANCE |
|---|---|---|---|
| Direct Emissions: | | | |
| Category 1 | 436.55 | 436.55 | Limited |
| Indirect emissions from imported energy: | | | |
| Category 2 | 6,990.53 | 8,452.81 | Limited |
| Indirect emissions from transportation | | | |
| Category 3 | 15,181.44 | 15,181.44 | Limited |
| Indirect emissions from products used by organisation: | | | |
| Category 4 | 64,947.15 | 64,947.15 | Limited |
| Indirect emissions associated with the use of products from the organisation: | | | |
| Category 5 | 4,802.16 | 4,802.16 | Limited |
| TOTAL NET EMISSIONS | **92,357.82** | **93,820.10** | |

**GHG PROTOCOL CATEGORIES**

| GHG SCOPE | LOCATION BASED $tCO_2e$ | MARKET BASED tCO e |
|---|---|---|
| Scope 1 | 436.55 | 436.55 |
| Scope 2 | 6,990.53 | 8,452.81 |
| Scope 3 | 84,930.74 | 84,930.74 |
| TOTAL INVENTORY | **92,357.82** | **93,820.10** |

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## Validation

We have examined the forecast of GHG emissions, removals and storage related to downstream product use for product produced during the measurement period in the Organisation's GHG statement, which comprise the following:
—product use;
—product disposal.

## Validation strategy

Our validation assessed the:
— recognition;
— GHG boundary;
— activity estimates;
— calculation methodologies and measurements;
— data management;
— conservativeness;
— calculation outcomes;
— future estimates;
— uncertainty;
— sensitivity of the forecast to the assumptions.
The data examined during the validation were projected in nature.

## Validation level of assurance

| GHG SCOPE | MARKET BASED tCO e | LEVEL OF ASSURANCE |
|---|---|---|
| Scope 3 | 3,191.78 | Limited |

## Responsible party's greenhouse gas assertion (claim)

KMD Brands Limited has measured its greenhouse gas emissions in accordance with the GHG Protocol Corporate Standard: 2004 and the GHG Protocol Supply Chain (Scope 3) Standard: 2011 in respect of the operational emissions of its organisation including New Zealand and international operations.

## Verification and Validation conclusion

GHG Protocol

EMISSIONS - LIMITED ASSURANCE
Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the emissions, removals and storage defined in the inventory report:
• do not comply with GHG Protocol: A Corporate Accounting and Reporting Standard ; and
• do not provide a true and fair view of the emissions inventory of the Responsible Party for the stated inventory period.

VALIDATION EMISSIONS - LIMITED ASSURANCE
Based on our examination of the validation evidence, nothing comes to our attention which causes us to believe that reported assumptions do not provide a reasonable basis for forecast emissions. Further, in our conclusion, the forecast is properly prepared on the basis of the assumptions. Actual results are likely to be different from the forecast since anticipated events frequently do not occur as expected and the variation may be material.

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## Other information

The responsible party is responsible for the provision of Other Information. The Other Information may include emissions management and reduction plan and purchase of carbon credits, but does not include the information we verified, and our auditor's opinion thereon.

Our opinion on the information we verified does not cover the Other Information and we do not express any form of audit opinion or assurance conclusion thereon. Our responsibility is to read and review the Other Information and consider it in terms of the inventory. In doing so, we consider whether the Other Information is materially inconsistent with the information we verified or our knowledge obtained during the verification.

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| | VERIFIED BY | AUTHORISED BY |
|---|---|---|
| Name: | Khairul Saidah Abas Azmi | Ana Tatana |
| Position: | Verifier, Toitū Envirocare | Certifier, Toitū Envirocare |
| Signature: | | |

| | | |
|---|---|---|
| Date verification audit: | 9-11 September 2026 | |
| Date opinion expressed: | 24 September 2026 | 9 October 2026 |

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Kathmandu®

Obōz

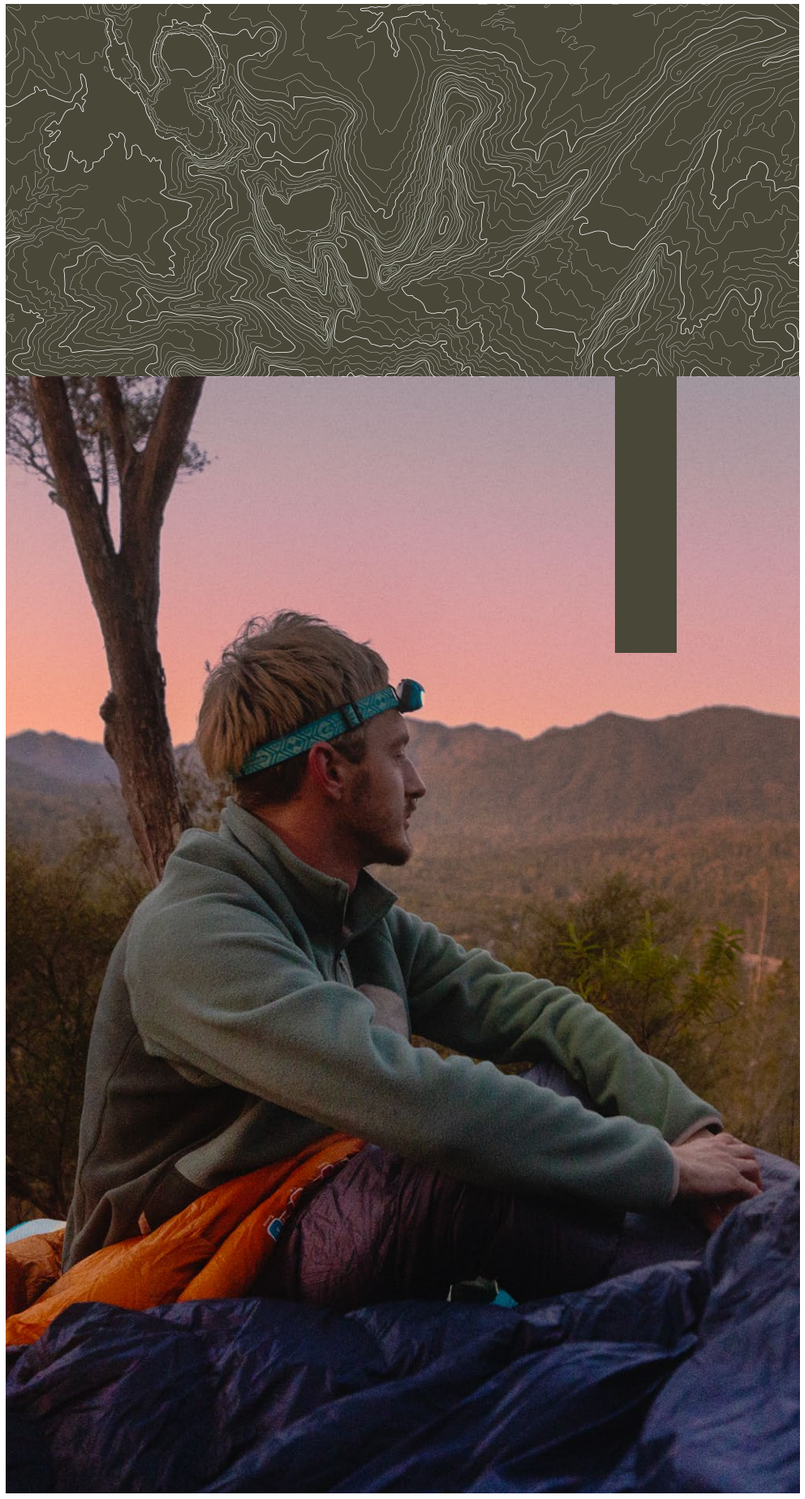
RIPCURL

KMD
BRANDS

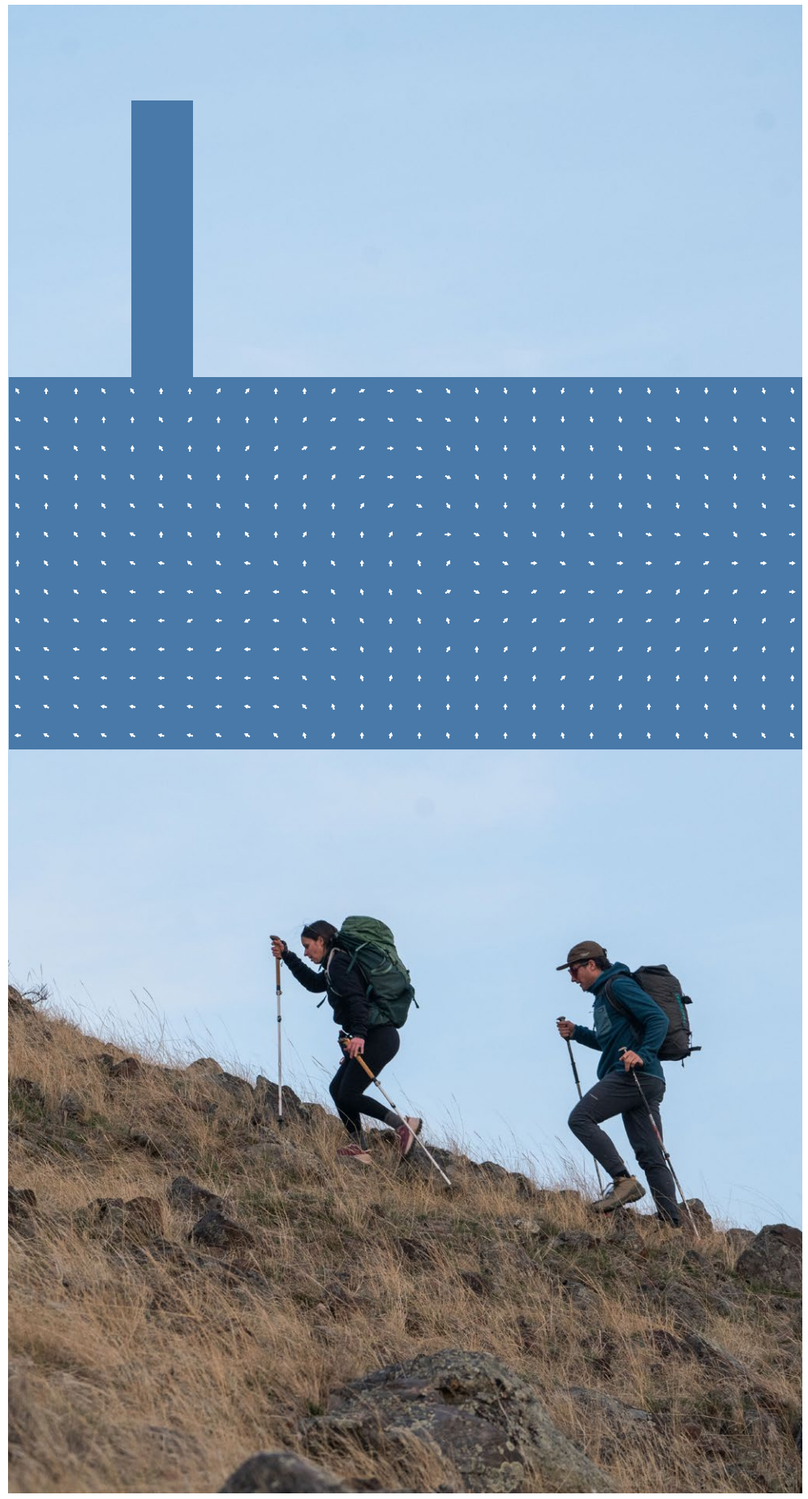
KMDBrands.com

KMD BRANDS

# Modern Slavery Statement **2026**









Certified B Corporation

### Acknowledgement

We recognise and pay respect to the Elders, past and present, and communities of the lands touched by KMD Brands. We recognise and acknowledge Indigenous Peoples across the world and their survival of practices that today are referred to as modern slavery, as well as the unresolved nature of these wrongs.

## Reporting Scope

As a B Corporation (B Corp), KMD Brands Limited (KMD Brands) is committed to balancing profit with our impact on people and planet, including respecting internationally recognised human rights throughout our supply chain. KMD Brands entities take a consolidated approach to Environment, Social and Governance (ESG). As such, this is a joint statement made on behalf of KMD Brands Limited and the following KMD Brands controlled entities: Kathmandu Pty Ltd (ACN 007 047 547), Rip Curl Group Pty Ltd (ACN 068 999 520), Rip Curl Canada Inc, Rip Curl UK Ltd and Rip Curl, Inc. The principal address of KMD Brands Limited is 223 Tuam Street, Christchurch 8011, New Zealand. Australian Registered Body Number of KMD Brands Limited is 139 836 918.

This statement has been published in accordance with Australia's Modern Slavery Act 2018 (Cth), Canada's Fighting Against Forced Labour and Child Labour in Supply Chains Act 2023, the United Kingdom's Modern Slavery Act 2015 and the California Transparency in Supply Chains Act (Steinberg, 2010). This statement covers the reporting period 1 August 2025 to 31 July 2026.

## Consultation

This statement was developed by KMD Brands' ESG team in consultation with stakeholders across Kathmandu, Rip Curl and Oboz. Representatives from each brand contributed to the review of this Statement. Ongoing collaboration through Group ESG governance, annual reporting and B Corp certification supports consultation and alignment on our shared approach to modern slavery.

You can report a suspected incident of modern slavery linked to KMD Brands via email to workers.rights@kmdbrands.com.

This statement was approved by the Board of Directors of KMD Brands on 24 November 2026 as principal governing body on behalf of each reporting entity covered by this Statement.

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Our supply chain risk profile ..... 05
Understanding risks within our operations ..... 07
Taking action ..... 08
Learning through collaboration ..... 11
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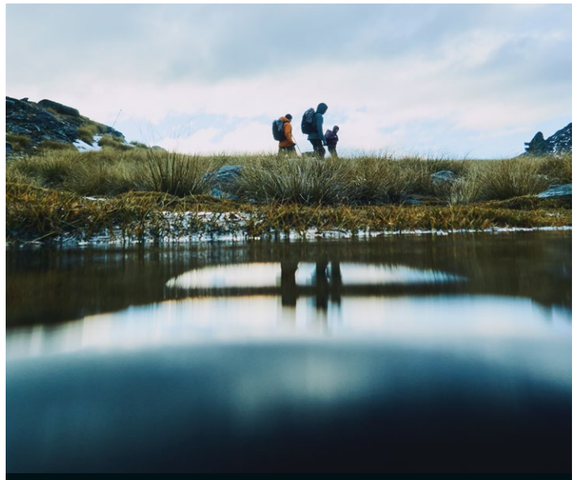
Looking ahead ..... 12
Appendix ..... 13

# FY26 Key activities



### Worker Voice

**1,280**

workers engaged through anonymous worker voice surveys across Tier 1 and Tier 2 manufacturing facilities

### Supply Chain Traceability and Transparency

**45%**

increase in traced and publicly disclosed Tier 2 suppliers

**47%**

increase in Tier 2 social assessments completed



### Risk Identification

**385**

social assessments completed across Tier 1, Tier 2 and Tier 3 suppliers

**~3,000**

foreign migrant workers traced within KMD Brands' supply chain



### Capability Building and Awareness

Released a revised Supplier Code of Conduct incorporating buyer commitments and multilingual grievance channel

**549**

employees completed human rights training

Integrated ethical sourcing and modern slavery considerations into wider organisational risk management, including RAPID risk decision-making guidance

# FY27+ Plans

### Supply Chain Traceability and Transparency

Expand mapping and assessment of high-risk material suppliers





### Responsible Recruitment

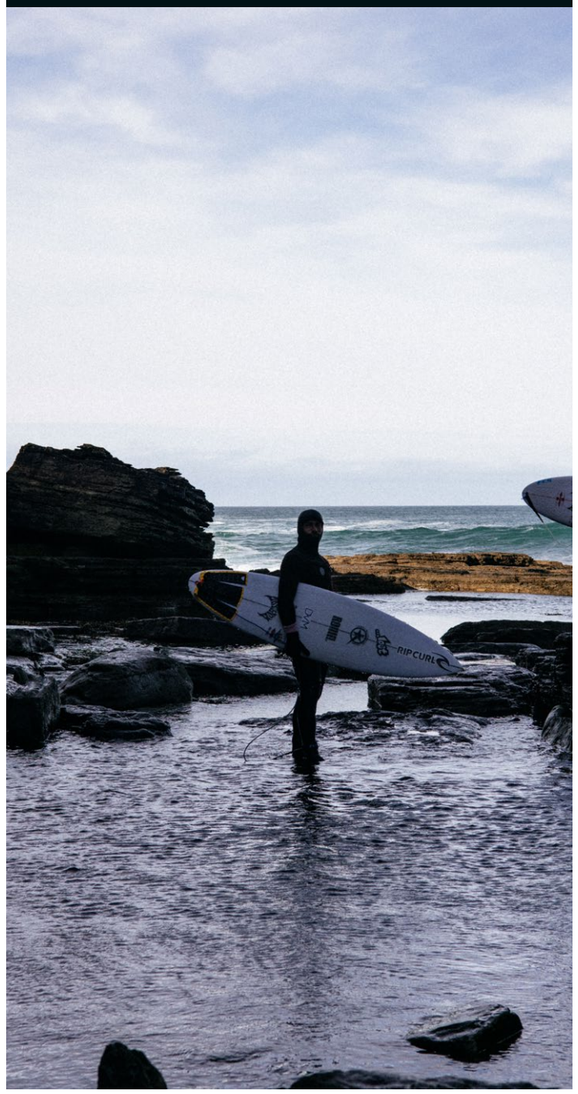
Strengthen protections for foreign migrant workers through continued responsible recruitment due diligence, facility assessments and remediation activities

### Worker Voice and Remedy

Improve worker access to effective grievance mechanisms, particularly in higher-risk sourcing regions

### Responsible Purchasing

Collect anonymous supplier feedback and use insights to strengthen purchasing practices, inform business decisions and enhance internal training



# About KMD Brands

## KMD Brands is a Group of three brands, Kathmandu, Rip Curl and Oboz, creating apparel, footwear and equipment that help people connect with the outdoors.

We operate through retail, e-commerce and wholesale channels across Australia, New Zealand, North America, South America, Europe and Asia. Group functions provide oversight of governance, risk management and ESG priorities, while each brand is responsible for implementing policies and managing day-to-day operations within its business. This model enables KMD Brands to maintain a consistent approach to responsible business practices and human rights due diligence while leveraging the expertise and local knowledge of each brand.

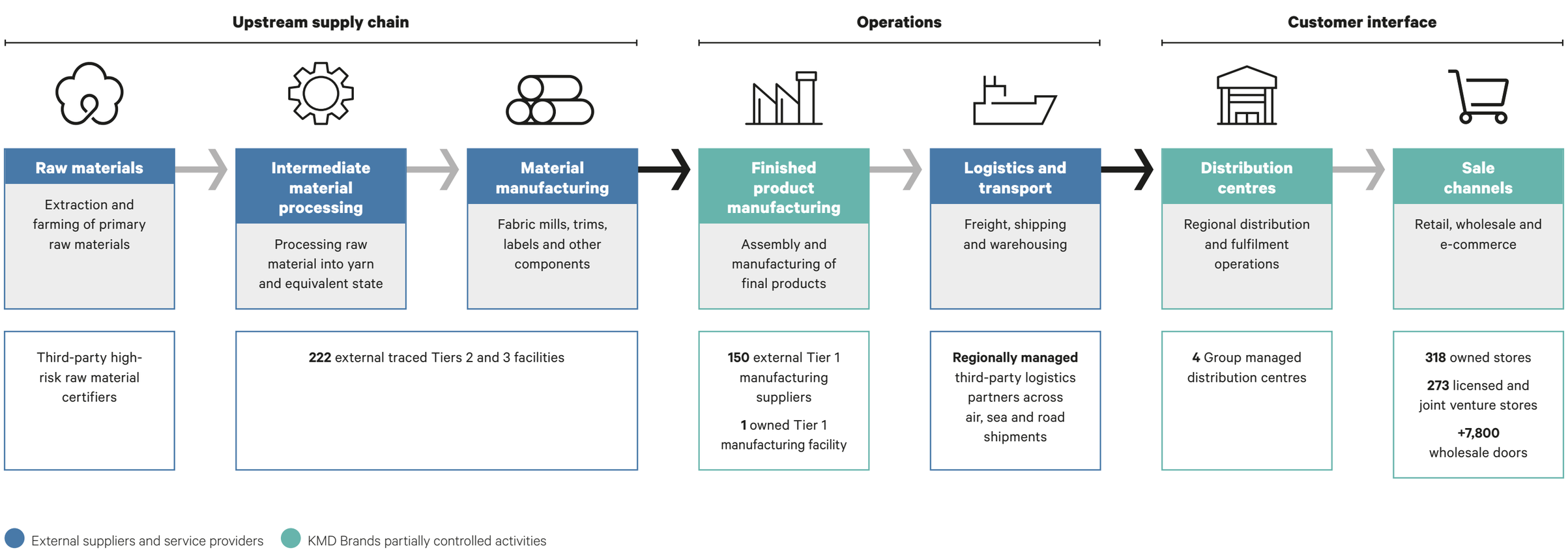
### Our Value Chain

Every product sold by Kathmandu, Rip Curl and Oboz is connected to the work of people across a global value chain. We believe these people should be treated with dignity, fairness and respect.

As a global outdoor apparel, footwear and equipment company, we rely on a complex, multi-tiered supply chain involving raw material producers, textile and component manufacturers, finished product suppliers, logistics providers, distribution centres and retail and e-commerce channels. Understanding each stage of the value chain helps identify where environmental, social and governance risks and impacts may arise.



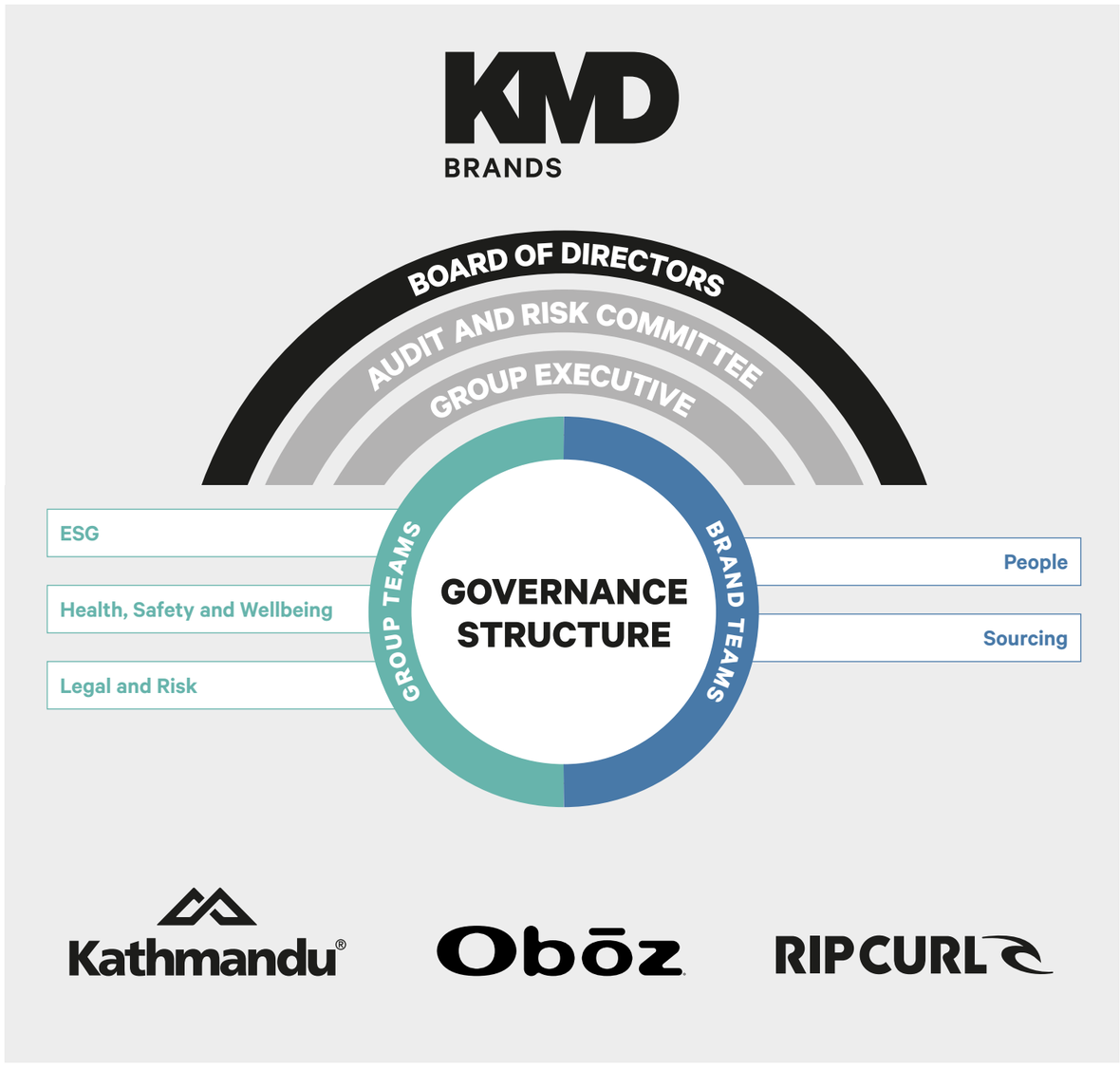
**KMD Brands Value Chain**



# Governance and accountability

**KMD Brands is committed to respecting human rights and undertaking human rights due diligence across its operations and supply chain. As a certified B Corporation, we are accountable to standards aligned with the United Nations Guiding Principles on Business and Human Rights, reinforcing our responsibility to identify, prevent, mitigate and remediate adverse impacts on people.**

Additional information on the Group's governance approach and ESG performance is available in the **KMD Brands Impact Report.** Human rights and modern slavery considerations are embedded within the Group's governance framework and overseen by the KMD Brands Board. The Board reviews human rights and modern slavery risks, monitors progress at least annually and approves the Group ESG strategy and annual Modern Slavery Statement. Operational responsibility is embedded across the business, with accountability assigned through the framework outlined below.






## Policies and Standards

KMD Brands maintains policies, standards and reporting mechanisms that set expectations for employees, suppliers and business partners and support the management of modern slavery risks across our operations and supply chain.

| Policy/Standard | Purpose |
|---|---|
| **Code of Ethics** | Defines the Group's commitment to conducting business responsibly and respecting human rights. The Code guides ethical decision-making, requires compliance with applicable laws and reinforces expectations to consider impacts on stakeholders and raise concerns about potential misconduct. |
| **Whistleblower Policy** | Provides employees and external stakeholders with mechanisms to safely report concerns relating to unethical conduct, human rights impacts and potential modern slavery risks. |
| **Supplier Code of Conduct** | Establishes labour and human rights requirements for suppliers, including expectations relating to forced labour, child labour, discrimination, harassment, freedom of association, responsible recruitment, remediation and supply chain transparency. |
| **Responsible Purchasing Policy** | Recognises that purchasing decisions can influence working conditions within supply chains and establishes expectations for production planning, forecasting and supplier engagement to help manage labour rights risks associated with short lead times, changing demand forecasts, pricing pressures and other commercial practices. |
| **Child and Forced Labour Policy**<br>**Migrant Labour Policy** | Set requirements for preventing, identifying and responding to child labour, forced labour and migrant labour risks within our operations and supply chain. |

Employees receive training on these policies through onboarding and ongoing learning requirements. Annual training is provided to support office, retail and distribution centre employees to strengthen awareness of human rights and modern slavery risks, indicators and reporting pathways. Training is available in six languages and includes knowledge checks to support understanding and application of key concepts in day-to-day decision-making.

# Our supply chain risk profile

## KMD Brands identifies, assesses and addresses modern slavery risks in our supply chain through our human rights due diligence program.

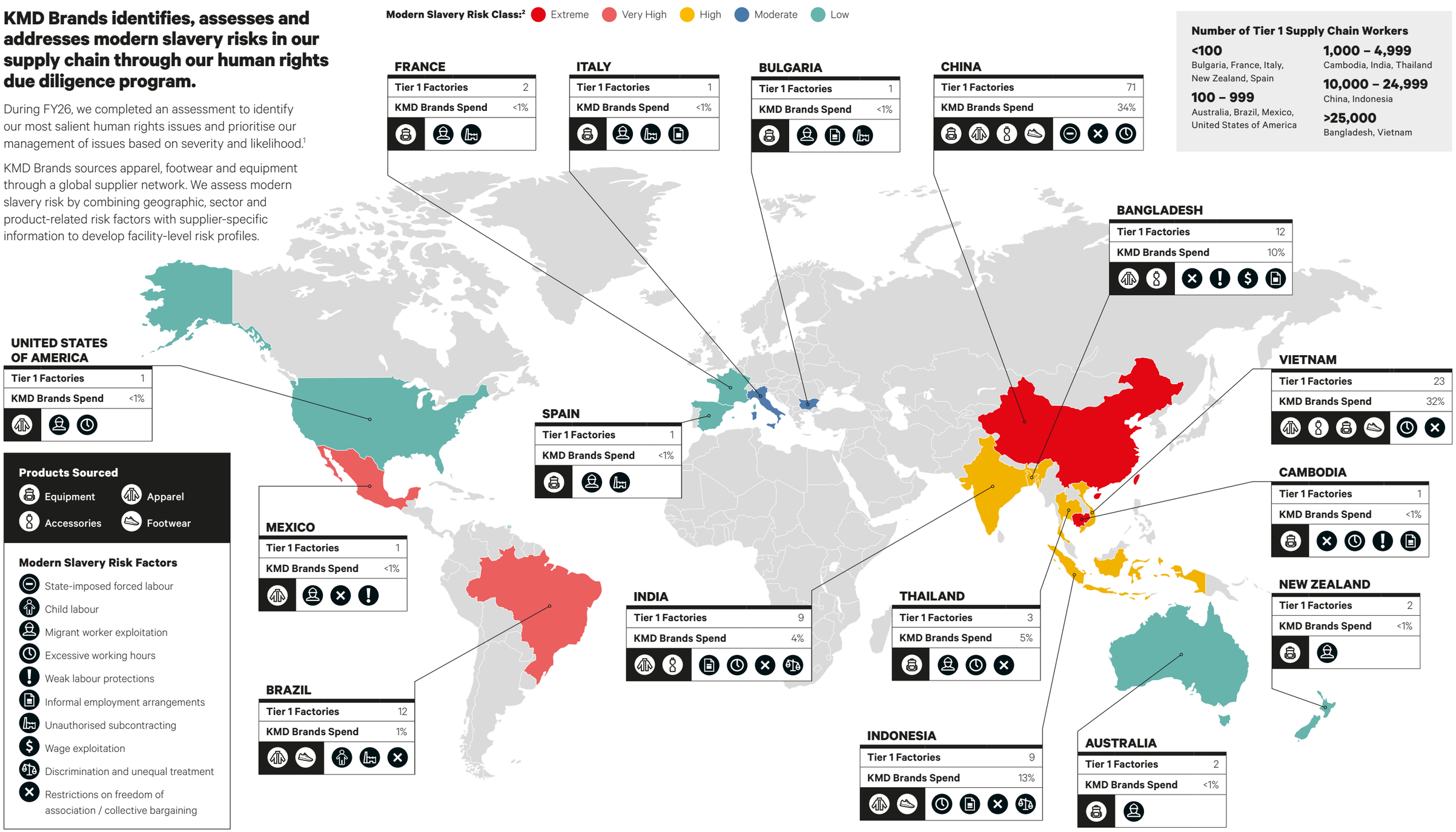
During FY26, we completed an assessment to identify our most salient human rights issues and prioritise our management of issues based on severity and likelihood.[1]

KMD Brands sources apparel, footwear and equipment through a global supplier network. We assess modern slavery risk by combining geographic, sector and product-related risk factors with supplier-specific information to develop facility-level risk profiles.

**Modern Slavery Risk Class:**[2] Extreme | Very High | High | Moderate | Low

**Number of Tier 1 Supply Chain Workers**

- **<100** — Bulgaria, France, Italy, New Zealand, Spain
- **100 – 999** — Australia, Brazil, Mexico, United States of America
- **1,000 – 4,999** — Cambodia, India, Thailand
- **10,000 – 24,999** — China, Indonesia
- **>25,000** — Bangladesh, Vietnam




1. The risk factors outlined above focus on those most relevant to modern slavery and is not an exhaustive list of the human rights risks we consider as part of our wider program. While these factors may indicate heightened vulnerability to exploitation, their presence does not necessarily mean modern slavery is occurring. They are used to help prioritise due diligence and risk management activities across our supply chain.

2. Country-level forced labour risk assessments use a combination of external indicators, including the United States Department of State Trafficking in Persons Report, the United States Department of Labor's ILAB Goods Produced by Child Labor or Forced Labor List, the Walk Free Global Slavery Index, and the International Labour Organization Forced Labour Observatory. This consolidated view of forced labour prevalence, government response, and known sector-specific risks informs our human rights due diligence and supplier risk assessment process.

## Workers in High-Risk Sourcing Countries

Geographic factors can increase the risk of modern slavery, particularly in jurisdictions where workers may be more vulnerable to exploitation due to weak labour protections, recruitment-related risks, restrictions on worker representation or barriers to effective remedy. During FY26, approximately 124,000 workers were engaged across the 151 Tier 1 suppliers covered by our compliance program. Approximately 99% of these workers were located in extreme, very high or high-risk sourcing countries.

## Lower-Tier Supply Chain Workers and Workers Producing High-Risk Materials

Modern slavery risks can increase beyond Tier 1 manufacturing, where supply chains are more complex and visibility of working conditions is reduced. Risks may be heightened where KMD Brands lacks a direct contractual relationship with suppliers or where due diligence activities have not yet been extended.

Several materials used in KMD Brands' products, including cotton, leather, rubber, neoprene and certain minerals, are associated with elevated modern slavery risk. Risks may include forced labour, child labour, recruitment-related exploitation, hazardous working conditions, limited worker protections, and in some regions, state-imposed forced labour. These risks are often concentrated deeper within supply chains, where transparency and leverage may be more limited.



## Foreign Migrant Workers

Foreign migrant workers are employed at KMD Brands supply chain facilities in Australia, Indonesia, Italy, New Zealand, Taiwan, Thailand and Vietnam. Migrant workers may be more vulnerable to exploitation due to recruitment fees, debt bondage, language barriers, restrictions on freedom of movement, dependence on employers for visa sponsorship, and limited access to grievance mechanisms. Risks may be elevated where workers are engaged through labour recruiters, labour hire providers or other indirect employment arrangements.

## Workers in Licensed Supply Chains

The Rip Curl brand is licensed to eight regional licensees operating in Argentina, Chile, Fiji, Japan, Malaysia, Papua New Guinea, Peru, Singapore, South Africa and Uruguay. The brand is also licensed to global merchandise partners across product categories including eyewear, sunscreen, automotive accessories, surf accessories and denim.

Global merchandise partners and six regional licensees are authorised to source and manufacture products independently. Licensed products are currently manufactured in Argentina, Cambodia, China, Fiji, Japan, Malaysia, Peru, South Africa and Taiwan. These arrangements may present heightened modern slavery risks because KMD Brands has less direct visibility and influence over the facilities and upstream suppliers involved in production. This can limit the ability to identify and address risks relating to labour recruitment practices, subcontracting, migrant workers and working conditions. Licensed supply chains remain a priority area due to comparatively lower levels of visibility and oversight than those available within KMD Brands' directly managed sourcing program.

## Children and Young Workers

KMD Brands recognises child labour as a distinct human rights risk, particularly within lower-tier supply chains involved in the sourcing and processing of raw materials and components. Risks may be elevated in the production of agricultural commodities, natural fibres, leather, rubber and other labour-intensive inputs, especially in regions with weaker labour protections, informal employment practices or ineffective age verification systems. The complexity and limited transparency of these supply chains can increase the likelihood that child labour remains undetected.

During FY26, KMD Brands identified Argentina, Bangladesh, Brazil, Cambodia, China, India, Indonesia, Mexico, Thailand and Vietnam as presenting elevated inherent child labour risk. Textile processing, raw material production and subcontracted manufacturing were identified as higher-risk activities within these countries.



No confirmed incidents of child labour were identified during FY26. However, two facilities in Brazil were found to have inadequate age-verification processes to prevent the employment of workers below the legal minimum working age, and one facility in Vietnam employed a young worker for hours exceeding legal limits. These findings reinforce the importance of ongoing due diligence within higher-risk supply chains.

## Worker Voice and Freedom of Association

Restrictions on freedom of association and collective bargaining can increase workers' vulnerability to modern slavery by limiting their ability to raise concerns, organise collectively and access remedy. During FY26, Bangladesh, Cambodia, China, Haiti, Hong Kong and Thailand were assessed as presenting extreme risk, while Argentina, India, Indonesia, Malaysia, South Korea and Vietnam were assessed as presenting very high risk for worker representation concerns, including restrictions on independent trade unions, barriers to collective bargaining and retaliation against worker representatives. Risks may be heightened in labour-intensive manufacturing, subcontracted production and lower-tier supply chains in these jurisdictions.

## Non-Inventory Products and Services

KMD Brands procures a range of non-inventory products and services to support retail operations, distribution activities and corporate functions. In assessing modern slavery risk across these categories, we consider factors including workforce vulnerability, subcontracting, temporary and migrant labour, geographic exposure, and sector-specific labour rights risks.

While many suppliers operate in jurisdictions with comparatively strong legal protections, some services may involve workers who are more vulnerable to exploitation due to insecure employment arrangements, recruitment practices, language barriers, or limited visibility beyond direct suppliers. Higher-risk categories include logistics, facilities-related services and outsourced service providers that rely on labour intermediaries or subcontracting arrangements.

KMD Brands engages a service provider in the Philippines. The business process offshoring sector can present labour rights risks including recruitment-related exploitation and excessive working hours. On-site due diligence was conducted as part of the engagement of our current provider.

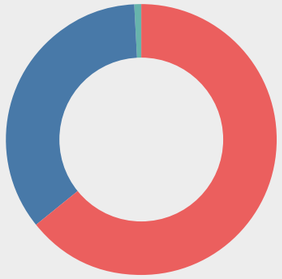
KMD Brands also uses third-party international shipping providers. Common maritime sector risks include worker isolation, restricted freedom of movement, limited access to grievance mechanisms, excessive working hours and recruitment fee arrangements that may increase worker vulnerability.

# Understanding risks within our operations

**KMD Brands employs approximately 4,300 people across its global operations, supporting the design, sourcing, distribution and sale of outdoor apparel, footwear and equipment through its Kathmandu, Rip Curl and Oboz brands. Our workforce spans corporate offices, distribution operations and retail stores, with team members located across Australia, New Zealand, Thailand, North America, South America, Europe and Asia.**

KMD Brands considers the risk of forced labour and child labour within its direct operations to be lower than in our supply chain due to the presence of established employment policies, governance processes and oversight mechanisms. However, certain workforce groups may face increased vulnerability, including migrant workers, temporary employees, labour hire personnel and contracted service workers engaged in functions such as distribution, logistics, cleaning and facilities management. Risks may include underpayment of wages, excessive working hours, restrictions on freedom of movement, recruitment-related exploitation and limited awareness of workplace rights.

**Our employees identify as:**

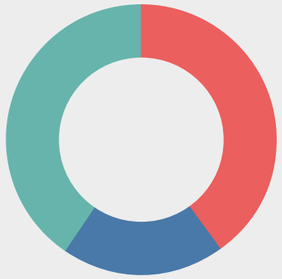


**65%** Female

**35%** Male

**<1%** Gender undisclosed

**Employment type:**



**40%** Full-time

**20%** Part-time

**40%** Casual



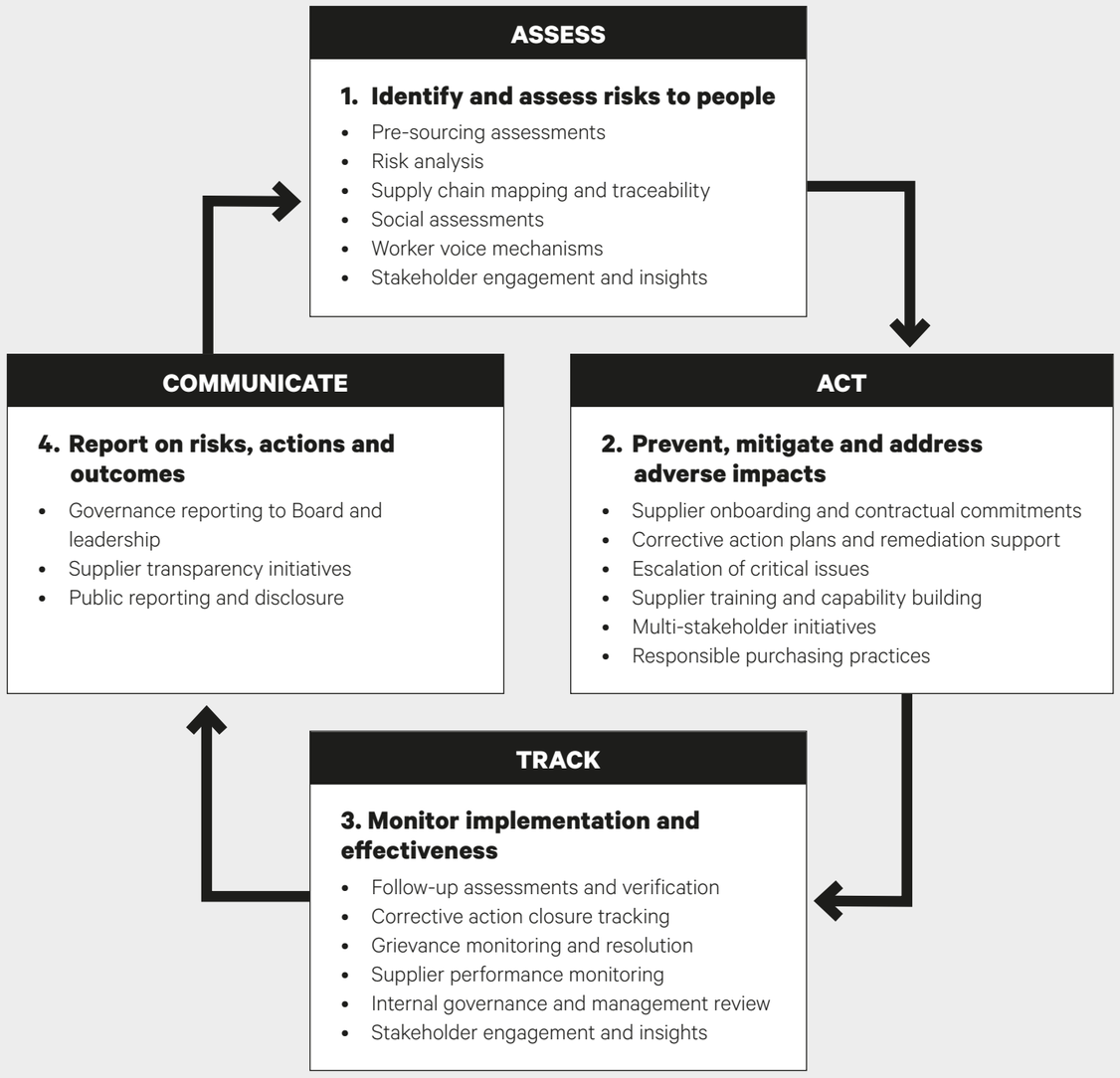


# Taking action

## Our Due Diligence Approach

KMD Brands undertakes ongoing human rights due diligence to identify, assess, prevent, mitigate and address adverse human rights impacts across our operations and supply chain, including modern slavery risks. Our approach is guided by the United Nations Guiding Principles on Business and Human Rights, the OECD Guidelines for Responsible Business Conduct, current and emerging regulatory requirements and stakeholder expectations. Human rights due diligence is embedded throughout our sourcing and supplier management processes, from pre-sourcing assessments and supplier onboarding through to monitoring, remediation and supplier capability building. The framework below outlines the key elements of this approach.

### Reducing risks to people in our operations and supply chain




## Operational Controls

KMD Brands maintains policies, procedures and governance mechanisms to uphold human rights and employment standards and support the identification, prevention and mitigation of modern slavery risks across its operations. These controls are informed by applicable employment, workplace relations, health and safety, anti-discrimination, whistleblower and human rights requirements. Key controls include:

- recruitment and onboarding processes that support ethical hiring and compliance with applicable labour laws;
- employment agreements and workplace policies that communicate employee rights and conditions of employment;
- policies relating to workplace conduct, inclusion, harassment and bullying, and health, safety and wellbeing;
- employee grievance and whistleblower mechanisms that enable concerns to be raised confidentially;
- training and awareness programs covering expected standards of conduct and compliance obligations; and
- governance and oversight processes to monitor compliance with employment-related policies and legal requirements.

Employment practices are managed by Group and brand teams in accordance with Group policies and legal requirements.

## Inventory Supplier Due Diligence

KMD Brands applies a risk-based approach to managing modern slavery and human rights risks in its inventory product supply chain. Implementation is supported by dedicated governance, specialist expertise and supplier-facing teams.

### Due Diligence Resourcing

- Board oversight of modern slavery and human rights risks
- Chief Legal & ESG Officer oversight of supplier due diligence
- Two dedicated Group team members, supported by brand sourcing teams, managing risk assessment, monitoring, remediation, training and reporting
- Four Regional Managers providing ongoing, on-site supplier engagement across Asia
- Legal team support for supplier contractual requirements

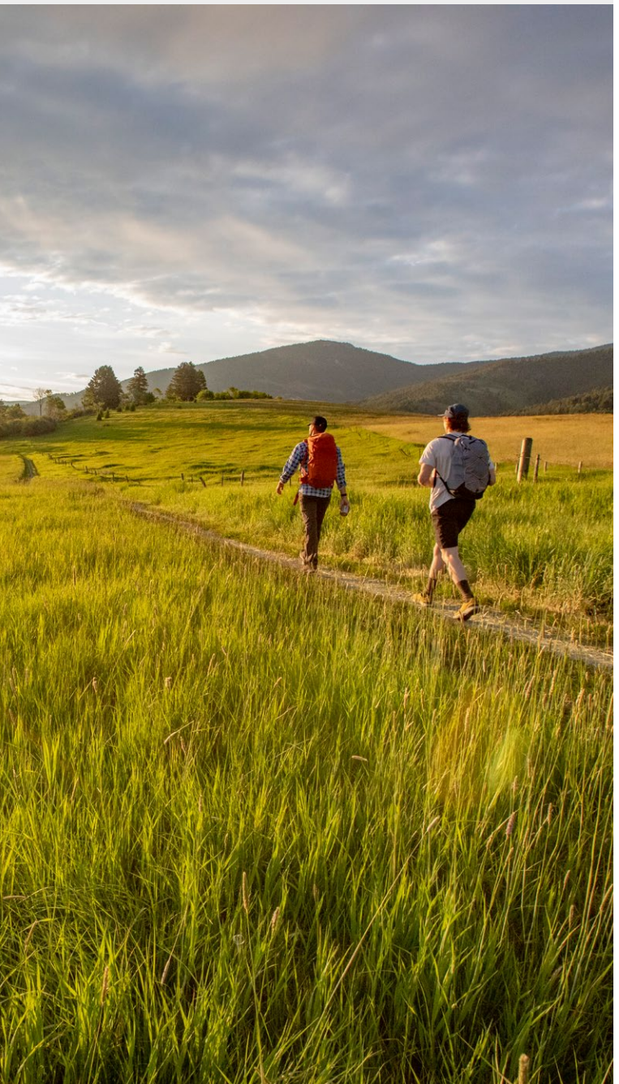


# KMD Brands ESG Goal

## Communities

**Positively impact the wellbeing of people and places connected to our brand.**

- Accountability to the KMD Brands Code of Conduct
- Genuine transparency of, and effective worker voice communications with strategic suppliers for each brand.



## Inventory Supplier Due Diligence: FY26 Actions and Outcomes

### Code of Conduct accountability

**100%** of Tier 1 suppliers (151) and 162 Tier 2 suppliers

### Social assessments

**100%** of new Tier 1 suppliers

+ **47%** of new Tier 2 and 3 suppliers screened

**81%** of Tier 1 suppliers (122)

+ **88** Tier 2 and Tier 3 suppliers assessed

### Worker voice

**1,280** workers consulted across **6** Tier 1 and **3** Tier 2 suppliers

### Assessment findings

**1,939** non-compliances identified

Critical non-compliances identified at **16** Tier 1 and **20** Tier 2 suppliers

### Corrective actions and remediation

**85%** of non-compliances closed

Corrective action plans agreed upon with **100%** of Tier 1 suppliers and **60%** of Tier 2 suppliers with critical non-compliances

### Critical non-compliances identified included:

| | |
|---|---|
| **2** | Discrimination |
| **25** | Excessive monthly overtime |
| **2** | Young workers operating outside legal requirements |
| **1** | Restriction of movement |
| **1** | Retention of identity documents |
| **2** | Factory and dormitory accommodation located in the same building |
| **8** | Underpayment of workers or withholding of wages |
| **5** | Excessive recruitment fees or deposits |

### Grievance mechanisms

**1** supply chain grievance investigated and resolved

### Supplier capability building and training

**391** supplier representatives participated in online training sessions

**1** supplier participating in KMD Brands funded women's empowerment program

### Traceability and transparency

**100%** of Tier 1 suppliers published on Open Supply Hub

**211** Tier 2 and **11** Tier 3 suppliers traced and published on Open Supply Hub

### Pre-Sourcing Assessments and Onboarding

KMD Brands applies a comprehensive onboarding process for new suppliers, including mandatory social assessments and screening against the Uyghur Forced Labor Prevention Act (UFLPA) Entity List. Suppliers are required to acknowledge and comply with our Supplier Manual, Code of Conduct and contractual requirements, establishing clear expectations on labour rights, human rights and business conduct from the outset.

### Supply Chain Traceability

Improving visibility beyond Tier 1 suppliers is a key component of our due diligence approach. We continue to strengthen supply chain transparency through supplier disclosure, traceability and public reporting initiatives. Tier 1 suppliers are required to disclose input suppliers, apply equivalent labour standards throughout their supply chains and prohibit modern slavery within their operations and supplier networks. KMD Brands publishes three tiers of supply chain data through **Open Supply Hub** to support transparency and external scrutiny.

Visibility of raw material suppliers remains more limited than manufacturing suppliers. To help manage these risks, KMD Brands prioritises materials and suppliers certified to recognised social and environmental standards, including Better Cotton, Responsible Down Standard, Responsible Wool Standard, Global Organic Textile Standard, Global Recycled Standard, bluesign®, OEKO-TEX®, ZDHC and Fair Labor Association programs.

### Supplier Monitoring, Corrective Actions and Remediation

KMD Brands applies a risk-based approach to supplier monitoring, using a range of assessment tools including third-party audits, internal assessments, on-site visits and anonymous worker surveys.[3] Assessment findings are supplemented by ongoing monitoring of public reporting and developments in geographic, sector and product-related risks.

Social audits form one component of KMD Brands' broader due diligence program and are used to identify labour rights, health and safety, and compliance risks. During FY26, audits identified indicators associated with forced labour, including retention of identity documents, restriction of movement, excessive recruitment fees and withholding of wages. Recognising the limitations of audits in driving long-term improvements, KMD Brands complements formal assessments with direct supplier engagement and worker consultation.

Regional Managers regularly visit factories in Bangladesh, China, India, Taiwan and Vietnam to review workplace practices and engage suppliers on-site. KMD Brands also gathers worker feedback through anonymous, real-time surveys covering workplace safety, fairness, wellbeing and rights. During FY26, the worker voice program was extended to India. Survey responses identified concerns relating to access to remedy, workplace harassment and occupational health and safety. Review of these findings remains ongoing and will inform future supplier engagement.

As a signatory to the Social and Labor Convergence Program (SLCP), KMD Brands encourages suppliers to use the Converged Assessment Framework to reduce audit duplication and redirect resources towards improvement activities. Our approach emphasises transparency, collaboration and continuous improvement, with a focus on addressing root causes and supporting sustainable improvements in working conditions.

KMD Brands uses supply chain management software to support social and environmental risk management, traceability and remediation. We work with suppliers to address critical and major findings through corrective action plans involving factories, auditors and relevant brand teams. Remediation expectations are communicated during onboarding and reinforced throughout the assessment process. For critical findings, suppliers are also required to undertake root cause analysis to support sustainable remediation. Where suppliers are unable or unwilling to address critical or major findings, KMD Brands may terminate the relationship in accordance with its Responsible Exit Policy. No suppliers were exited for non-compliance during FY26.

### Responsible Recruitment

To address recruitment-related risks, KMD Brands has traced approximately 3,000 foreign migrant workers within its supply chain. All Tier 1 facilities and 73% of traced Tier 2 and Tier 3 facilities have agreed to comply with KMD Brands' responsible recruitment requirements and extend these expectations throughout their supply chains.

In FY24, KMD Brands became aware of alleged indicators of forced labour at two fabric mills and one dyeing facility in Taiwan, including recruitment fees, threatened repatriation and restrictions on freedom of movement. Throughout FY25 and FY26, we worked with suppliers, buyer groups and other stakeholders to investigate the allegations and support remediation, including contributing to third-party assessment costs and encouraging suppliers to accelerate corrective actions.

During FY26, we continued to strengthen our oversight of recruitment practices by expanding tracing and assessment of facilities employing foreign migrant workers. All 25 traced facilities completed social assessments that included responsible recruitment criteria. We also continued to build supplier capability through responsible recruitment guidance and participation in industry and civil society initiatives focused on fair recruitment.

### Freedom of Association, Collective Bargaining and Grievance Mechanisms

KMD Brands supports workers' rights to freedom of association and collective bargaining and maintains a zero-tolerance approach to retaliation, discrimination and practices that impede these rights. We work with suppliers to strengthen worker representation, worker-management dialogue, access to remedy and the effectiveness of workplace grievance mechanisms.

Compliance with these expectations is assessed through our supplier monitoring program. KMD Brands prioritises remediation, worker engagement and supplier capacity building where issues are identified. No supplier relationships were terminated due to freedom of association or collective bargaining findings during FY26.

Effective grievance mechanisms are an important component of our due diligence approach. We provide all suppliers with guidance on establishing and maintaining internal grievance mechanisms, both during onboarding and annually thereafter. In FY26, KMD Brands revised its Supplier Code of Conduct to incorporate buyer commitments and distributed printed copies to all Tier 1 suppliers and traced Tier 2 and Tier 3 suppliers. The Code includes a multilingual grievance mechanism accessible to workers across our supply chain. Tier 1 suppliers are also required to maintain an internal grievance mechanism and provide workers with access to the KMD Brands' confidential grievance channel. Workers may also raise grievances during confidential interviews conducted as part of social assessments.

During FY26, we investigated one grievance raised through the RMG Sustainability Council Occupational Safety and Health Complaints Mechanism, which was resolved during the reporting period.

Freedom of association findings and grievance trends are reviewed as part of our broader due diligence program to identify systemic risks and opportunities for improvement.

### Prevention and Mitigation: Supplier Capability Building and Training

KMD Brands engages suppliers through training, guidance and direct engagement to strengthen management systems, improve working conditions and address the root causes of human rights risks.

In FY26, we released Supplier Social and Environmental Guidelines covering responsible overtime management, responsible recruitment, employment of foreign migrant workers and protection from heat stress. We also shared guidance on effective grievance mechanisms and gender equality to support suppliers in managing human rights risks.

We commenced our second program with Awaj Foundation, a grassroots labour rights organisation in Bangladesh. The program supports female workers employed by a long-term Rip Curl supplier through training on financial management, health, leadership, rights awareness and negotiation skills. We also engaged 12 suppliers in India through on-site visits to identify improvement opportunities and assess future training needs.

### Third-Party Branded and Licensed Product Due Diligence

Rip Curl, Kathmandu and Ozmosis retail stores sell products from third-party brands. While KMD Brands does not currently undertake formal monitoring of these brands, contractual agreements include social and environmental requirements.

Rip Curl regional licensees are required to comply with the KMD Brands' Code of Conduct and complete third-party social assessments where applicable. KMD Brands applies a risk-based approach to licensee due diligence based on country, sector and supplier risk.

### Regional Licensee Supplier Due Diligence

| | |
|---|---|
| **Code of Conduct agreement** | **84%** of disclosed suppliers agreed |
| **Social assessments** | **46%** of disclosed providers assessed<br>**2** facilities identified as having critical findings |
| **Corrective actions and remediation** | **46%** of disclosed suppliers engaged on corrective actions, a 20-percentage point increase on FY25<br>**50%** of critical findings closed |

Global merchandise licensees are also required to meet agreed standards. KMD Brands has visibility of Tier 1 production for eyewear, automotive accessories and denim, and all disclosed facilities in these categories have agreed to the KMD Brands' Code of Conduct and provided evidence of third-party social monitoring.

3. Commissioned and accepted copy audits must meet KMD Brands' quality standards and verify compliance with the KMD Brands' Code of Conduct. Accepted assessment methodologies include the Fair Labor Association's Independent External Factory Assessment, verified Higg Facility Social and Labor Module, ABVTEX certification, Better Work assessments through the Social and Labor Convergence Program (SLCP), and LRQA ERSA assessments.

# Learning through collaboration

**Many factors that increase workers' vulnerability to exploitation cannot be addressed by one business acting alone. KMD Brands works with industry groups, civil society organisations, trade unions and other stakeholders to strengthen worker protections and improve conditions across our supply chain.**



## Protecting Workers

### International Accord

Bangladesh supplier facilities remain covered by the Accord's inspection, remediation and worker engagement programs. Workers have access to training on workplace rights and health and safety and an independent complaints mechanism.

### Employment Injury Scheme Pilot

We contributed funds towards the development of Bangladesh's national employment injury scheme for garment workers, intended to provide compensation and support to workers injured in the workplace.

## Strengthening Due Diligence

### Fair Labor Association (FLA)

We used FLA tools and resources, including the Fair Compensation Dashboard, independent factory assessments, guidance on responsible recruitment and participated in the voluntary FLA Milestone 5 Reporting Framework.

### Social and Labor Convergence Program

We supported the use of harmonised labour assessment tools and participated in the Converged Assessment Framework Mapping Tool Pilot.

## Industry Collaboration

### Policy and Regulatory Engagement

We participated in consultation workshops on the review of Australia's Modern Slavery Act and made a submission on New Zealand's proposed Modern Slavery Bill.

### Cascale

We participated in initiatives supporting supply chain transparency, monitoring, benchmarking and continuous improvement.

### Living Wage Working Group

We collaborated with Australian brands and retailers on addressing wage-related vulnerability, strengthening human rights due diligence and a cross-brand factory mapping initiative.

# Measuring progress

KMD Brands assesses the effectiveness of its modern slavery and human rights due diligence program through external benchmarking, independent assessment and internal performance monitoring.

Rip Curl, Kathmandu and Oboz are certified B Corporations, providing independent verification of our governance, impact management and stakeholder accountability. During FY26, KMD Brands successfully recertified under B Lab's enhanced standards, reaffirming our commitment to creating positive environmental and social impact alongside financial performance.

Our performance and disclosures are also assessed through external benchmarking initiatives, including the Baptist World Aid Ethical Fashion Report and Textile Exchange's Material Change Index. During FY26, we continued to engage with Oxfam Australia through its independent assessment of our progress on living wages, supply chain transparency, gender equality and freedom of association.

KMD Brands' commitment to continuous improvement is reflected in the linking of debt finance facilities to performance against key sustainability indicators. We completed a debt refinance during the reporting period, incentivising the achievement of human rights due diligence outcomes and other sustainability performance measures.

We also monitor effectiveness through internal governance processes, including Board reporting on key human rights and modern slavery metrics, review of supplier monitoring and remediation trends, analysis of grievance data and consideration of supplier, worker and employee feedback.



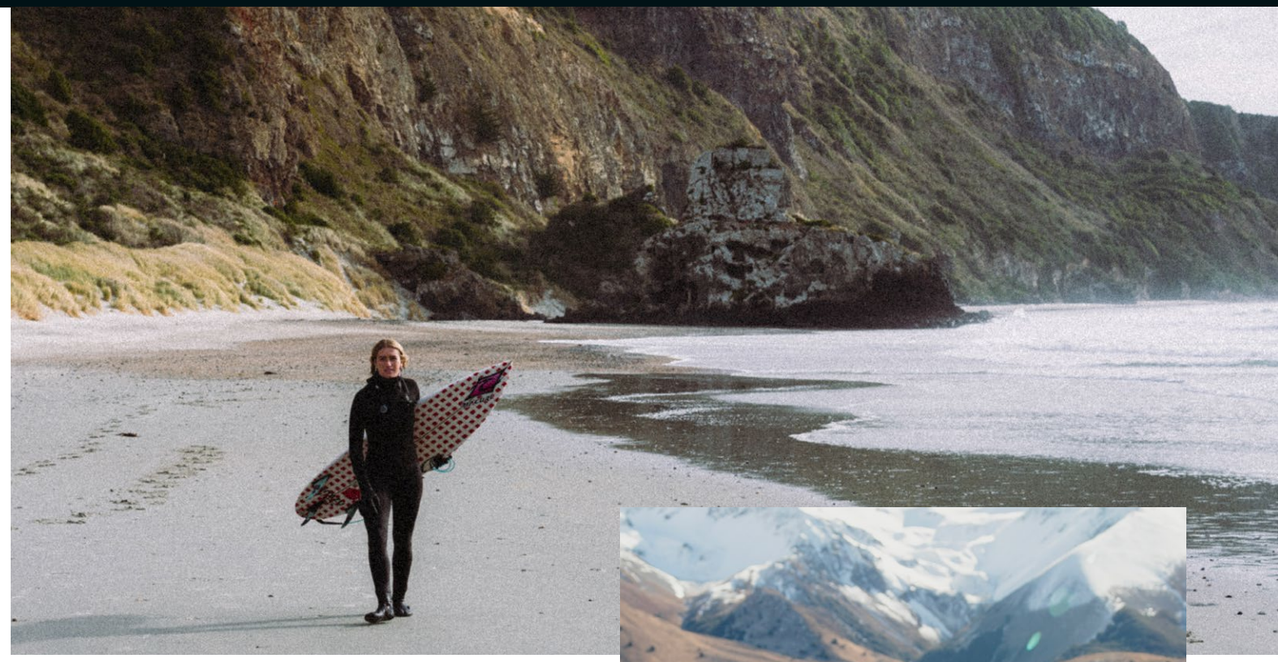
# Looking ahead

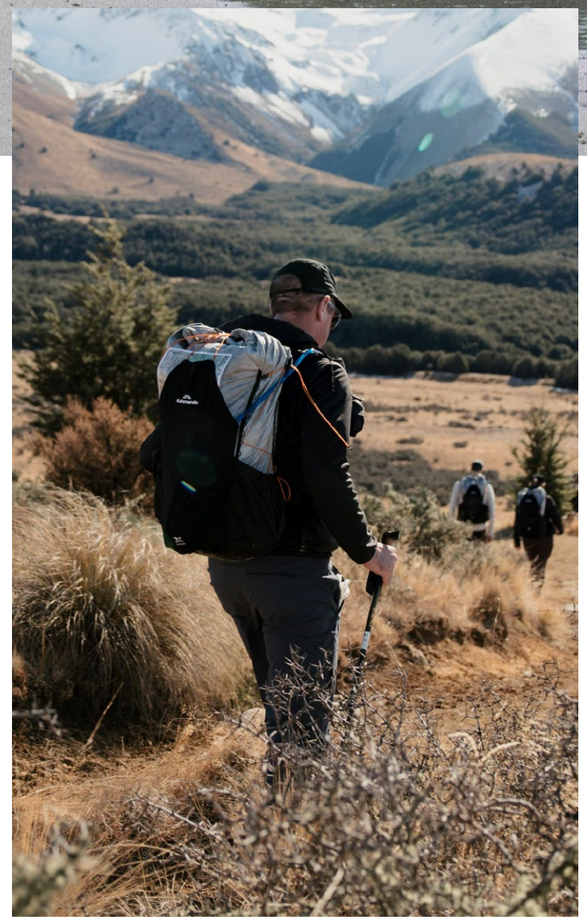
**The work of identifying and addressing modern slavery risks is ongoing. In FY27, we will continue to strengthen our due diligence program to respond to evolving risks, stakeholder expectations and regulatory developments, deepen our understanding of worker vulnerability, and use our influence to support safe, fair and respectful working conditions across our value chain.**

### Emerging Risks

The environment in which workers live and work continues to change. We will continue to monitor emerging risks, including increasing restrictions on freedom of association, collective bargaining, freedom of expression and peaceful assembly, as well as the growing use of workplace surveillance technologies. We are also monitoring reports of intimidation, harassment and detention of worker representatives and human rights defenders. These trends warrant increasing attention as they may reduce workers' ability to raise concerns, organise collectively and seek remedy, increasing the risk that labour rights abuses remain hidden or unaddressed.





### FY27 Priorities

Informed by our due diligence activities and the evolving risk landscape, KMD Brands has identified the following priorities for FY27:

- Expand mapping and assessment of high-risk material suppliers;
- Strengthen due diligence relating to foreign migrant workers and recruitment practices, including ongoing tracing, facility assessments, remediation of recruitment-related risks and supplier capability building;
- Enhance access to effective grievance mechanisms and remedy by supporting suppliers to strengthen internal systems and increase worker awareness of available reporting channels; and
- Continue embedding responsible purchasing practices through supplier invitations to provide anonymous feedback, incorporating feedback into internal training and monitoring how commercial practices may influence working conditions and worker wellbeing.

KMD Brands remains committed to strengthening its human rights due diligence program and responding to evolving risks across its operations and supply chain. We recognise our products rely on the skills and efforts of thousands of people globally and remain committed to supporting positive outcomes for the people who help bring our brands to life.

# Appendix I. Attestation

**In accordance with the requirements of the Fighting Against Forced Labour and Child Labour in Supply Chains Act (Act), and in particular section 11 thereof, I attest that I have reviewed the information contained in the report on behalf of the governing body of KMD Brands Limited.** Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed within this report.

I have the authority to bind KMD Brands Limited.



**Brent Scrimshaw**

**Group CEO & Managing Director** **Date: 24/11/2026**

# Appendix II. How this statement addresses the reporting criteria

The following table identifies where each reporting requirement is disclosed within this Statement. This table is based on the template released by the governments of Australia, Canada and the United Kingdom, for international reporting on supply chain transparency.

| Requirement | Reference in this Statement [KM1.1] |
|---|---|
| **A description of the organisation's structure, operations, activities and supply chains, including consultation with any linked organisations covered by this statement.** | Consultation: page 1<br>About KMD Brands: pages 3-4<br>Our Supply Chain Risk Profile: pages 5-6<br>Understanding Risks Within Our Operations: page 7<br>Learning Through Collaboration: page 11 |
| **A description of the organisation's policies in relation to modern slavery, forced labour and child labour.** | Governance and Accountability – Policies and Standards: page 4<br>Taking Action – Operational Controls: page 8<br>Taking Action– Freedom of Association, Collective Bargaining and Grievance Mechanisms: page 10 |
| **A description of any risk management processes in place to assess and address the risk of modern slavery, forced labour and child labour practices in the reporting organisation's supply chains.** | Our Supply Chain Risk Profile: pages 5-6<br>Taking Action: pages 8-10 |
| **A description of the organisation's due diligence processes in relation to modern slavery, forced labour and child labour in its supply chains. In addition, a description of any measures taken to remediate any instances of modern slavery, forced labour and child labour in its supply chains.** | Taking Action: pages 8-10 |
| **A description of the training provided to employees on modern slavery, forced labour and child labour.** | Governance and Accountability – Policies and Standards: page 4 |
| **A description of how the organisation assesses the effectiveness of the actions it has taken to prevent and respond to modern slavery, forced labour and child labour, and its due diligence processes.** | Taking Action – Inventory Supplier Due Diligence FY26 Actions and Outcomes: page 9<br>Measuring Progress: page 11 |

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