

Modern Slavery Statement

2023/2024

FATFACE

Our Commitment

At FatFace, we are committed to ensuring there is no modern day slavery or human trafficking in our supply chains or any part of our business

I continue to be extremely proud of the strong stance FatFace takes in undertaking due diligence and addressing any human rights risks that appear within our supply chain.

The Modern Slavery Act 2015 highlights the importance of understanding the salient risks we face and finding collaborative solutions to address them. We are committed to putting the rights of workers and other stakeholders in our operations at the core of our programme.

Our on-going Responsible Sourcing programme continues

to ensure that trading ethically and sourcing responsibly are key priorities and commitments for FatFace within our sustainability strategy. We continue to work both within our business and with our suppliers, along with other key partners and stakeholders to mitigate the increasing global risks of modern slavery and human trafficking. Our work is aligned to the ETI Base code and the United Nations Guiding Principles (UNGP)

Modern Slavery remains one of the most significant risks within our global supply chain. While supply chain transparency is complex, we believe honesty and openness are crucial for improvement. This report outlines our progress and the measures we've taken as we strive to enhance our practices.

As a B Corp, we are committed to working collaboratively to use business as a force for good and report regularly on our impact. We fully support the legislation put in place for the prevention of modern slavery and human trafficking. Our annual Modern Slavery Statement details the steps FatFace took in the financial year ending

27th January 2024 to combat these issues.

We acknowledge the importance of this issue and are aware that modern slavery is too widespread and complex for any business to tackle alone. This is a long-term issue with no quick solutions. We will work hard to ensure that all parts of our business work together to uphold our commitments, which will protect our teams and the people working in our supply chain around the world. We look forward to sharing our ongoing progress with you.



W.Crumbie

Will Crumbie – CEO
September 2024

Key achievements 2023/2024

Developed enhanced Modern Slavery training which was delivered online and face to face in China and India in partnership with the Reassurance Network.

Tighter controls in place to ensure all suppliers across our business must demonstrate their Modern Slavery commitment.

Modern Slavery training fully integrated into new starter inductions and trained annually across all areas of the business.

Scored a 9.5 out of 10 on engagement for useful and interactive conferences.

About FatFace

Founded in 1988, FatFace is a British, family, lifestyle clothing brand that is Made for Life. With a unique heritage, FatFace creates sustainable product ranges across women's, men's, and kid's clothing, footwear and accessories for the whole family to live life in. Our products are designed with purpose and built to last. Considered Style. Trusted Quality. Sustainably Sourced.

FatFace became a certified B Corporation™ in 2023 and is a multichannel retailer, with a thriving international digital business as well as over 231 stores in the UK, Ireland, USA and Canada, and a highly engaged social community. Our head office is in Havant, and we employ 2,255 staff across our office, stores and our distribution centre, in the USA and Canada we have 218 employees. We are a brand with sustainability at its core, with a clear strategy around three key pillars – product, planet, and community. Devoted to style, dedicated to sustainability.

We maintain a strong focus on sustainability, which is a key part of our business strategy and is regularly reported to both the Operational and Group Boards. Our Modern Slavery Act 2015 responsibilities are managed by our Responsible Sourcing team, led by our Trading Director, Nick Stevenson, who is part of our executive Operational Board.

**Over 231 stores
in the UK, Ireland,
USA and Canada**

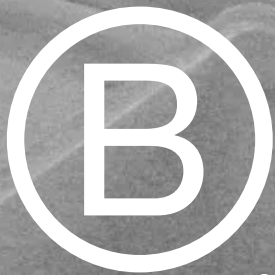
We track and report on modern slavery risks as part of our sustainability Key Performance Indicators (KPI's) with progress reviewed every two months by senior management and annually by the FatFace Group Board Committee.

Our KPI's include supply chain due diligence, which helps us identify and escalate modern slavery risks. Both the Operational and Group boards provide strong oversight of our approach.

In October 2023, we were acquired by NEXT Group PLC. Despite this change, our reporting structure remains unchanged, with our Operational Board still accountable. Updates to the Group Board structure will be included in our next Modern Slavery Report. This change in ownership offers new opportunities that align with our commitment to sustainable growth and the prevention of modern slavery and human trafficking in our supply chain, along with collaboration with NEXT and Total Platform brands.



Certified



Corporation

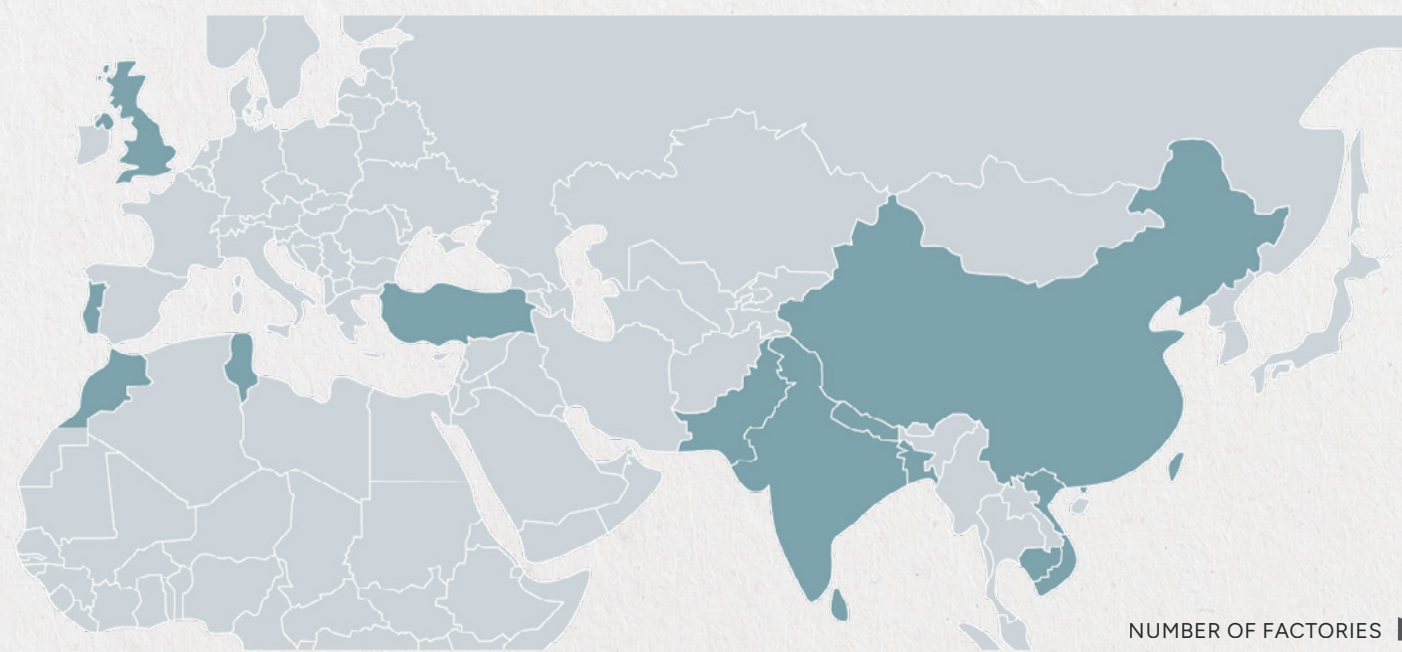
Our product supply chain

FatFace currently works with 135 garment, shoes and accessories factories across 14 countries. We continue to nurture long term relationships with our suppliers, placing great emphasis on partners who share our values and responsible approach to business. We have been working with our top 20 manufacturing partners for a combined period of 283 years, with the average relationship

length being 14 years. We continue to seek out partners who strive to meet our high quality and ethical requirements and recognise our shared duty to promote positive social and environmental standards.

We know that our product mix and ability to ensure continued high quality is dependent on our working relationships with our

suppliers, who fully understand our business values and expectations. The strength of our supplier relationships provides us with excellent visibility of our first-tier factories and provides an effective platform for understanding and addressing Modern Slavery & Human Trafficking concerns within the supply chain.



• Bangladesh		4	• Pakistan		2
• Cambodia		6	• Portugal		1
• China		78	• Taiwan		1
• India		23	• Tunisia		2
• Sri Lanka		2	• Turkey		9
• Morocco*		0	• UK		4
• Nepal		1	• Vietnam		2



14

Sourcing countries

74

We work with 74 suppliers

135

Active Tier 1 factories

+52,000

Over 52,000 workers
in our Tier 1 product
supply chain

14 years

Average supplier
relationship with our top
20 suppliers

100%

Have signed up to our
FatFace Way of Life

In 2023/2024 On average 93% of factories had active audit reports from the last 12 months, which was a 1% improvement on the previous year

We have a clear supplier strategy which supports our commitment to responsible sourcing:

- We carefully select business partners who share our values and commitment to uphold and continuously improve labour and environmental standards.
- We seek to build long term stable relationships and use our buying power to influence improvements in workplace supply chain standards.
- We set clear expectations for supplier standards and provide guidance and support to help our supplier partners to achieve these standards.



Policies in relation to slavery and human trafficking

What is modern slavery?

Modern Slavery involves one person depriving another of their liberty in order to exploit them for personal or commercial gain (UN Guiding Principles on Human Rights).

The Ethical Trading Initiative (ETI) notes that Modern Slavery is an overarching term used to describe its various forms, being:

- Human trafficking: a process of bringing a person into a situation of exploitation through a series of actions, including deceptive recruitment and coercion.
- Forced labour: any work or service which people are not doing voluntarily, and which is exacted under a threat of some form of punishment.
- Bonded labour: demanding as a means of repayment of a debt or a loan.
- Slavery: a situation where a person exercises (perceived) power of ownership over another person.

We adopted our definition of modern slavery from the UN Guiding Principles on Business and Human Rights, which state that 'modern slavery involves one person depriving another

of their liberty in order to exploit them for personal or commercial gain'.

Modern slavery is found all over the globe and intersects all industries. Today, approximately 50 million people find themselves in a situation where they face modern slavery*

*2022 Global estimates of Modern Slavery

Apparel, footwear, accessories and home supply chains are complex and far-reaching, making it easier to hide the exploitation of workers. Workers can be exploited through forced labour, long working hours and lack of worker rights. Vulnerable groups such as migrant workers, temporary workers and women and children are more at risk of modern slavery.

As a responsible brand, we are committed to identifying and addressing these issues in our own supply chain. To improve working conditions and reduce the risk of modern slavery, we collaborate with partners like the Ethical Trading Initiative (ETI) and The Reassurance Network (TRN)

Our long-standing membership with ETI, since 2008, allows us to work alongside other brands and retailers, including those that may be our direct competitors. We understand that improving working conditions is not a commercial or competitive issue but about ethical responsibility. We engage monthly with similar sized brands, using this platform to share

information and collaborate on critical issues.

We believe Modern Slavery is unacceptable and strive to build a fair, ethical and transparent supply chain, that respects and protects workers' rights and improve working conditions. We work to tackle exploitative practices through robust policies and governance processes, risk assessments and audits, collaboration with other retailers and transparent supplier relationships.

Our code of conduct, the "FatFace Way of Life" (FFWOL) is the cornerstone of the principles of how we work with our supply chain and sets out the ethical standards that we expect. Our FFWOL is based on universally recognised labour standards, including those outlined in the Ethical Trading Initiative (ETI) Base Code and the UN Guiding Principles on Business and Human Rights, both of which cover Modern Slavery issues.



The 'FatFace Way of Life' is the supplier code of conduct that plays a key role in all of our commercial relationships. Suppliers and factories are required to commit to this code and complete an annual ethical audit assessment. We set best practice standards for the types of audits we will accept, and after the audit has been completed and reviewed, we collaborate with factories to ensure compliance. The FFWOL also specifies Prohibited and Restricted Sourcing regions.

FatFace has robust processes in place to ensure all Tier 1 factories are audited annually against the ETI Base Code, national and other applicable laws. These audits are conducted by nominated independent third-party auditors on a semi-announced or unannounced basis. Factories must ensure that any non-compliances identified are corrected within the timeframe detailed in the Corrective Action Plan (CAP).

We continue to actively support the factories we work with to resolve non-compliances that have been raised. We work in concert with our own Responsible Sourcing team, the factory and supplier, and our audit partner The Reassurance Network, to resolve the issue. Our focus has been in conducting verification assessments, but we have since expanded this further to include more Root Cause Analysis and Factory Improvement Plans.



Our Root Cause Analysis, targets high-risk issues to uncover the root cause behind the issue. Once this is investigated, we provide training, support and time-bound actions on how the factory could make improvements. The root cause analysis traditionally runs over 1-2 days and has a proved effective in the resolution of more complex problems.



Our factory Improvement Programme is where the factory has a bespoke programme, designed according to each factory's individual situation, and based on their specific needs. The duration of the programme can run anywhere between 3-6 months depending on the work required and consists of physical visits and some online training.

The primary goal is to achieve transparency and trust between us as buyers and our suppliers as manufacturers, so that we can identify any issues quickly and work together to resolve them. During the audit closing meeting with suppliers, all non-compliances are discussed and a Corrective Action Plan Report (CAPR) is agreed between the supplier and the auditor.

We categorise non-compliances as critical, major, or minor, as defined by the FFWOL audit methodology.

Risk Assessment and Due Diligence

Our latest report highlights that the highest potential for human rights abuses lies within our core product supply chain. To address this, we conduct an annual global risk assessment to pinpoint significant high-risk issues that may be present within our supply chains. We are committed to performing due diligence investigations in collaboration with our suppliers and manufacturing partners.

We require all our suppliers and manufacturing partners to evaluate their sub-contractors and sub-suppliers. This includes providing accurate name and address information, actively participating in discussions about assessment programmes and expectations, and supporting any remediation efforts directed by FatFace.

This year, we re-evaluated our core product supply chain against country-specific risks using a variety of indices and data sources, including the Global Slavery Index, OECD guidelines, the Sedex RADAR risk assessment tool, factory audit reports, and the Transparency Corruption Index. From this analysis, the highest risk of modern slavery in our supply chain remained in the same six countries - China, India, Cambodia, Pakistan, Bangladesh, and Turkey.

Through our social responsibility initiatives and modern slavery risk assessment, we have five key salient risks. We have prioritised them where we believe we can have the most substantial impact. As this is a half year report, the key activities undertaken to

27th Jan 2024 to address these risks are outlined below.

1.

Salient Risks

High working Hours.

High Risk Countries

China, India, Turkey, Cambodia, Bangladesh, Pakistan.

Explanation

Risk of high or involuntary overtime.

Action Taken

- Our policy is to not engage with new factories that work outside of our working hour guidance.
- We conduct root cause analysis and improvement programmes at the factory to gradually improve working hours, and also assist the factory in formulating long-term plans.
- We held conferences for all of our suppliers and Tier 1 factories imparting training on common root causes of high overtime. This was an interactive session with suppliers and tier 1 factories.

Next Steps

- We will continue to identify and support factories in root cause analysis and factory improvement programmes and expand our programme reach in our Tier 1 factories.
- We will continue with supplier training.



2.

Salient Risks

Temporary workers and the use of recruitment agencies.

High Risk Countries

China, Taiwan, India, Turkey.

Explanation

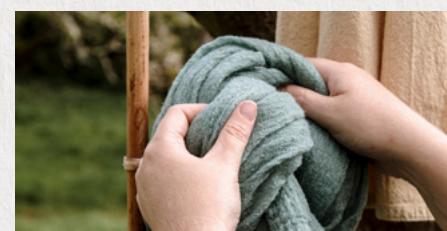
Temporary workers may be hired in an informal way, without contracts or paid through an intermediary. This leaves them more exposed to exploitation, rather than being directly employed. Using recruitment agencies may leave workers vulnerable to unethical recruitment practices.

Action Taken

- We have identified an increase of undocumented contract workers through our verification assessments. This is most prevalent in India. We have worked with the factories to ensure transparency and the right documentation is implemented.

Next Steps

- We will continue to monitor the risks associated with employing contract workers through our audit programme.
- We will be mapping temporary labour as part of our 2024 supply chain transparency project, so we can identify the areas of risk, this will then inform our next steps.



3.

Salient Risks

Migrant and refugee workers.

High Risk Countries

Turkey.

Explanation

Workers who are refugees, internal migrants or economic migrants can often have fewer rights in the workplace and less legal protection.

Action Taken

- We held a zoom conference with our Turkish suppliers and tier 1 factories to address this risk. We provided guidance on this particular issue with training provided by The Reassurance Network.

Next Steps

- We will continue this work by conducting a mapping exercise to understand where cross-border migrant labour is present in our supply chain.

4.

Salient Risks

Working conditions - risk to earthquakes, building collapse & fire.

High Risk Countries

Bangladesh, Pakistan, India, Turkey.

Explanation

Countries that are more prone to earthquakes, building collapse and fire.

Action Taken

- We have been a member of the RMG Sustainability council RSC

(formerly Bangladesh Accord) since 2013. All Bangladesh Factories have a RSC safety inspection with a progress rate of at least 90%'.
- Any new Bangladesh factories have to be reviewed in line with the FatFace Way of Life and RSC, and undergo rigorous testing before they can be onboarded'.
- We have a specific Building Fire Clause in our FatFace Way of Life which our suppliers sign up to.
- We have joined the international, Pakistan and Bangladesh Accord.

Next Steps

- We will continue with our Accord membership commitments.

5.

Salient Risks

Raw Materials.

High Risk Countries

China, India.

Explanation

Risk of forced labour and child labour connected to specific raw materials.

Action Taken

- In our FFWOL we have prohibited cotton from Uzbekistan, Turkmenistan and all fibres from the Xinjiang Uygur Autonomous Region of China (XUAR).
- Internal training conducted regularly so the buying and design teams are aware of the sourcing risks.
- No identified cotton mills in Xinjiang region (42 mills declared from 21 suppliers covering India, China, Pakistan and Turkey).
- We are working with Organic

standards to increase traceability. We are certified to the OCS - Organic Content Standard (license number: CB-CUC- 1000175), which verifies organically grown content and tracks it from the source to the final product.

Next Steps

- Annually we will re-map our factories and cotton mills to ensure there is no sourcing from this region.
- Reviewing software systems to support our work on traceability.
- Reviewing the implementation of an enhanced due diligence programme on forced labour relating to Uyghur Forced Labour.
- Investigating Better Cotton's traceability solution.



Supply Chain Transparency

In our previous report, we identified a higher risk of modern slavery and human trafficking within our Tier 2 factories. In 2022, we began addressing this by conducting an audit trial in Turkey, marking our first step into Tier 2. Since then, we have organised supplier transparency conferences, bringing together representatives from our suppliers and Tier 1 factories. These conferences provided targeted training on best practices for identifying and addressing modern slavery, alongside guidance on managing due diligence within their supply chains.

Key topics covered included: ILO modern slavery indicators, addressing the root causes of excessive working hours, our code of conduct—particularly around freedom of association and empowering workers to advocate for their rights—forced labour, and the ongoing human rights violations against Uyghur Muslims and other ethnic minorities in Xinjiang, China. In India, we focused on the spinning mills in southern India, identified as high-risk for forced labour. The sessions were highly interactive, incorporating role-play exercises, allowing suppliers to share their experiences and ask questions.

The level of participation and engagement was carefully monitored, with each conference achieving an average score of 9.5 out of 10, reflecting the effectiveness and impact of the sessions.



Timeline



Results found from our Tier 2 mapping

124*

Tier 1 factories (*excluding gifting and licensed)



181

SAQ's received = 78%



231

Declared Tier 2 factories (116 China / 71 India / as below)

COUNTRY	FACTORIES
• China	116
• England	3
• Hong KONG	3
• India	71
• Pakistan	5

COUNTRY	FACTORIES
• Sri Lanka	7
• Taiwan	1
• Turkey	22
• Tunisia	3
• Total	231

Supply Chain Transparency

One of our main takeaways from our tier 2 journey which has been complex, is that suppliers and factories have a wealth of experience and opinions to share about their supply chains – including what is and isn't working. By holding these conferences and opening the communication channels this has allowed us to have a two-way transparent conversation.

We will report on further progress in our next Modern Slavery Statement.

Despite ongoing global disruptions, we continue to deliver our robust Responsible Sourcing programme. We have ensured that 93% of our first-tier factories undergo annual third party audits as part of our due

diligence. Additionally, we have conducted in-depth verification assessment and root cause analysis visits at 15 key sites up to 27th Jan 2024.

Based on our verification assessments, non-compliances related to any human rights breach including modern slavery, were identified at some of our primary high-risk supplier sites. The most common of these were excessive working hours, inadequate health and safety practices, and payment of overtime wages, which is a continuing trend to previous years.

In these instances, we always investigate deeply to understand the specific issue and work with the

supplier and factory to remediate as quickly as possible to address both the symptom and the root cause.

If remediation is unsuccessful then we will exit the factory, from our verification assessment work this has occurred on one occasion.

Our preferred 3rd party assessment standard Sedex Members Ethical Trade Audit (SMETA) specifically includes standards on human rights issues such as land use, community engagement and management systems activity, alongside existing human and labour rights issues such as living wages, working conditions and freely chosen employment. Most of the issues that we have encountered through the assessment of these broader human rights standards relate to management systems and policy development.

We recognise that human rights abuses can exist within our own business (non-product operations). Areas such as recruitment and the utilisation of contract labour present potential risks, so we have policies in place to mitigate these risks as well as a robust recruitment process. This process includes our own due diligence, such as checking original documents such as passports and right to work documents. Where we work with recruitment agencies, we also ask for their modern slavery policy.

All our employment contracts incorporate policies designed to protect worker rights and promote a safe and fair environment to work in. These policies include our Anti-bribery and Corruption, Health & Safety, Data Protection and Privacy, and Whistleblowing Policy.





How we report on Modern Slavery risks

We continue to analyse human rights abuses and non-compliance against our code of conduct through the implementation of FatFace's Responsible Sourcing programme. We report to our commercial leadership team every 2 months, as well as reporting to the Group Board through the annual Audit Committee.

The Responsible Sourcing Team also provide the buying teams with a regular summary of the ethical risk rating on each of their factories. Modern slavery risk is an integral component of a site's risk rating. Where factories are rated as high risk, the reasons behind the issues are explained as well as an action

plan to remediate the concerns. Active engagement and support from the buying team is essential in driving the required improvements.

As members of the Ethical Trade Initiative (ETI) we have a commitment to report publicly on our activity and we have annual progression meetings with the ETI to gain an external view and guidance on our programme. In our commitment to improve transparency, we've made the choice to publicly disclose information about all of our first-tier factories on our website. This disclosure encompasses factory addresses, product categories, and worker

numbers. Additionally, we've shared our data on the Open Supply Hub, a collaborative supply chain mapping platform utilised by multiple retailers. We remain dedicated to maintaining this information, updating it every six months in alignment with our ongoing commitment to increased transparency.

We also published our third Environmental and Social Governance Impact Report in 2023, which gives a detailed view of activity across our whole sustainability programme, including more on our responsible sourcing work and modern slavery risks.

Training and Development

We ensure that all members of our Design, Buying, Merchandising and Quality (DBM) teams receive training on the principles of our code of conduct. This training emphasises the importance of understanding and addressing potential human rights abuses and their impact on both our supply chain and the people involved.

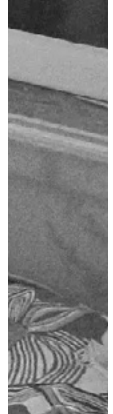
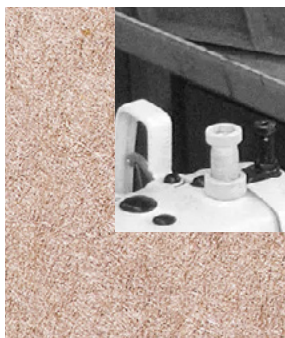
As part of our broader commitment to combating modern slavery, we have enhanced our efforts company-wide. We have introduced mandatory training, delivered through our online learning management system, Thrive. This training must be completed by all new Head Office and Store Management employees

as part of their induction. For existing employees, this training also forms part of our annual compliance week every January. This training module, which reaches around 800 employees, equips them with the skills to recognise signs of modern slavery within both our supply chain and internal operations.

In July 2023, we hosted a three-day supplier conference at our head office in Havant, Hampshire, marking our first in-person event with suppliers since the pandemic. We welcomed 25 key strategic suppliers, representing 80% of our business. The conference featured interactive sessions, including an African drumming workshop,

business updates from senior leadership, market stalls, and a summer fashion show. Highlights included a visit to our stores and distribution centre, supplier awards, and ample opportunities for collaboration. The event reinforced our commitment to partnership and supply chain transparency while celebrating our shared goals and successes.

At the conference, we laid the groundwork for our supply chain transparency project and outlined plans to enhance communication with suppliers. We emphasised the importance of fostering ongoing two-way partnerships, ensuring better collaboration and shared responsibility moving forward.



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