Modern Slavery Statement

At Fred Perry Ltd and Fred Perry Holdings Ltd, we are committed to respecting the human rights of everyone who works for us, whether directly or indirectly. We believe all workers must be treated with dignity, respect and fairness and we will not knowingly tolerate forced or compulsory labour or human trafficking in any parts of our business or supply chain.

This statement has been published in accordance to the Modern Slavery Act 2015. It details the steps we have taken in the financial year 2020 to prevent modern slavery throughout our business and supply chain and outlines our plans and commitment going forward.

The Fred Perry Modern Slavery Statement has been prepared by our CSR team and approved by Fred Perry Board of Directors on the 31st December 2020

Richard Gilmore
Managing Director
Fred Perry Limited
Fred Perry Holdings Ltd
Our Business

What started out as a small company selling polo shirts to tennis players in 1952 has grown into a global brand inspired by music – our “subculture” - and the street. Whilst the range has expanded to include apparel, footwear and accessories for men, women and children, the polo shirt remains at the core of what we do. Always at the heart of the brand is the Laurel Wreath – our symbol of success and excellence across all that we do.

Fred Perry employs 382 staff globally of which 149 are in our London head office. We trade around the world through 214 direct retail outlets, 36 of which are owned and operated by ourselves. Our long standing international wholesale partners and select international distribution routes complement our fast-growing online platform. In 2019 we extended our websites into five new languages; French, Italian, German, Portuguese and Spanish.
Our Supply Chain

We source our products from a small range of British and international suppliers, enabling us to get to know them really well and maintain strong working relationships. This makes it easier for us to be sure that things are being done in the right way and when challenges arise, we can work together to resolve them.

Our products are sourced from the following seven countries: Japan, UK, China, Vietnam, Portugal, Italy, & El Salvador. In total, Fred Perry have 45 live factories which is a 4% reduction on last year. We have long standing partnerships with most of our factories - the longest relationship being in excess of twenty years. The majority of our products are sourced directly from the manufacturer with only 2% sourced through 3rd party agents.

77% of our products are supplied by our top five suppliers. The supply base producing our product has remained stable with only 2 new factories being introduced in 2020. These have been introduced due to the creative collaborations we have become involved in.

All factories, suppliers and agents sign up to the Fred Perry Code of Practice. Our COP principle standards clearly set out the minimum standards and requirements that Fred Perry require all our product suppliers to follow in relation to workers' human rights, safety, employment and working conditions.

There are many people involved in making Fred Perry products and to maintain transparency we map our supply chain using the following 5 tiers:

<table>
<thead>
<tr>
<th>Tier</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Main factory where products are manufactured.</td>
</tr>
<tr>
<td>1+</td>
<td>Sites providing additional support to Tier 1 factories.</td>
</tr>
<tr>
<td>2</td>
<td>Material &amp; component production.</td>
</tr>
<tr>
<td>3</td>
<td>Yarn &amp; dye stuff suppliers.</td>
</tr>
<tr>
<td>4</td>
<td>Raw materials.</td>
</tr>
</tbody>
</table>

Whilst it is often deemed that the risks of modern slavery and human trafficking are most prominent in the lower tiers of the supply chain within the textile sector, we are fully aware that the risks present themselves in different ways across countries and supply chains. This includes our own internal operations and those providing us with services and goods not for resale.
Governance & Partnerships

At Fred Perry we are fully committed to tackling modern slavery and worker exploitation in all areas of the business and believe strong governance and strategic partnerships are key to ensuring we meet and exceed our responsibilities.

Whilst the Managing Director and Board of Directors are ultimately responsible for ensuring that Fred Perry meets all its human rights obligations, they are supported by a CSR team. The team sits within the product development department closely supporting the procurement function, ensuring products are sourced and manufactured ethically and sustainably. It also reaches across the whole business, implementing the necessary procedures accordingly.

Appreciating the ongoing challenges facing both the global fashion industry and ourselves, in 2020 we have continued to work with our chosen strategic partners to help us meet our CSR and sustainability goals:

• The Better Cotton Initiative (BCI)
• Fast Forward

We have continued our engagement with The Reassurance Network. They are a close-knit team of on-the ground specialists who are well placed to support us in delivering our CSR strategy. They also help us to understand and improve the working conditions and performance of our factories and support the sites with their individual improvement plans.

As our UK supply base continues to grow in strategic importance, we have recognised the value of engaging with the Apparel and General Merchandising Public/Private Protocol (AGM PPP). Our Head of CSR now sits on their working group, collaborating with other brands and stakeholders working to improve employment and working conditions and eradicate slavery and exploitation within UK supply chains.

In March 2019 we attended a Modern Slavery forum at the House of Lords, working to identify and address risks within the apparel sector. Believing in collaboration and collective power we signed the House of Lords & ASOS Modern Slavery Pledge to commit to shared initiatives in tackling modern slavery in the supply chain. We continue to meet regularly with this multi-stakeholder group.
Our Policies Relating to Modern Slavery

At Fred Perry, we are fully committed to respecting, protecting and advocating for the human rights of all persons working directly or indirectly for us. To support our zero-tolerance approach, we follow the UN Guiding Principles on Business and Human Rights and regularly review and update our policies to ensure that they reflect the latest legislation. In August 2018, we published our revised Code of Practice (COP) and new Human Rights and Anti-Slavery Policy:

**Code of Practice**

This sets out the ethical standards (which mirror the terms of the Ethical Trading Initiative Base Code) that we require all our staff at Fred Perry and those working for us directly and indirectly to comply with. The principle standards of our Code of Practice are listed below:

- Freely chosen employment
- Respect for freedom of association & collective bargaining
- Safe and hygienic working conditions
- No child labour
- Fair wages & benefits
- Lawful working hours & treatment
- Equal opportunities/no discrimination
- Employment security
- Fair treatment/no intimidation
- Legal working rights

**Human Rights and Anti-Slavery Policy**

This reflects our commitment to conducting all our business relationships ethically and with integrity. We ensure effective controls are in place to identify, prevent and eliminate human rights risks, slavery and human trafficking.

Whilst all factories, suppliers and agents sign up to the Fred Perry Code of Practice we also require them to comply with all our relevant policies. It is critically important that all parties, including ourselves, take responsibility in communicating our COP and policies so that everyone at every tier of our supply chain is aware of their obligations.

Transparency remains important to us, and in 2020 we commenced work on a website upgrade to include the publishing of our company policies supporting our CSR and sustainability strategies.

- Ethical Trading Code of Practice
- Supply Chain Transparency & Modern Slavery
- Human Rights
- Responsible Sourcing and Animal Welfare
- Chemical Management

Due to the additional challenges posed by Covid-19, this has been delayed and will be completed early 2021.
COVID-19

The outbreak and continued transmission of Covid-19 in 2020 has caused ongoing consequences around the world. At Fred Perry we have reviewed and revised our business practices to support the physical and financial wellbeing of our own employees, along with those of our partners and supply chain.

Covid-19 has significantly impacted regions of the world at different times throughout the year. Flexibility has been key to addressing new and increased risks that have risen out of this pandemic and consequently some of our previous priorities have been realigned. We continue to risk assess and engage in open, honest dialogue and effective communication throughout our business and our supply chain.

Financial Well Being

All Fred Perry head office, employees have been maintained on full pay throughout this pandemic, with the exception of two front of house staff who were furloughed during periods of UK lockdown. Due to ever changing situations local to the countries we retail in we have utilised both furlough and flexible furlough schemes when appropriate.

We rapidly revised our business practices to help safeguard our factories with the following actions:

- All invoices for Goods for Sale were paid as soon as the pandemic hit to help factories effectively manage their cashflow.
- Production that was underway was honoured and paid for as quickly as possible.
- Only 2.5% of 2020 PO units were cancelled in the 2nd half of year due to Covid-19.
- Fred Perry took full responsibility for the material and trims for cancelled or reduced orders.

Physical Well Being

At all Fred Perry global sites including our warehousing facilities, the relevant government guidelines have been followed, involving extensive risk assessment and modifications to permit social distancing and improved cleaning and hygiene.

At head office all staff (except front of house) were provided with the required technology to carry out their roles at home. Head office has been reconfigured to become a safe space with extended hours for employees to access, when required.

In our warehouse staff have been placed in working bubbles to reduce any unnecessary risk and shift patterns have been amended to eliminate the mixing of bubbles.

Off shore we have worked closely with our regional technical manager, agents and independent 3rd party personal and have relied on them on the ground to help factories conduct risk assessments and implement the required measures and checks to ensure safe working environments. This has involved not just facilitating social distancing but improving hygiene practices; ensuring factories are providing extra time for hand washing and sanitising and, if needed, PPE.

In the UK where the Fred Perry CSR team have been able to visit factory sites, we have been able to conduct risk assessments and advise action plans to develop safe working
environments in line with UK government guidelines; including social distancing, working bubbles, daily temperature checks, improved hygiene, and use of PPE.

**Grievances**

We are aware that throughout this pandemic, workers are more vulnerable to modern slavery and that an effective grievance procedure is paramount. Due to our engagement with Fast Forward “Speak Up” a whistleblowing hotline is available to all our UK factories and their staff.
Risk Assessment & Due Diligence Procedures

Our Own Operations

We realise that modern slavery and human trafficking has the potential to occur anywhere – even within our own recruitment process. To help eliminate these risks, in 2019 Fred Perry made a strategic business decision to appoint an internal recruiter to hire staff directly. This enables us to follow a robust recruitment process ensuring that the correct systems and procedures are in place to avoid modern slavery. In 2020 96% of new permanent employees were hired directly without the use of a recruitment agency. On occasions when we do require external support, we work with a limited number of employment agencies who adhere to our own code of conduct and recruitment standards.

Supply Chain – Goods for Sale

We recognise that there is an increased risk of modern slavery or human trafficking affecting people throughout our supply chain where the following factors are present:

- Migrant labour is used.
- Temporary or agency workers are required, who may not be subject to adequate due diligence checks.
- Materials are being sourced locally, directly by factories.

Our approach to risk assessment is through supply chain mapping, self and 3rd party auditing and targeted due diligence.

Transparency

To effectively identify and mitigate risk, we appreciate that transparency in our supply chain is essential. Due to our small, well established supply base we have been able to successfully map 100% of all Tier 1 and Tier 1+ factories. To date, we have mapped 80% of our Tier 2 supply base and are working hard, hand in hand with our Tier 1 factories, to gain further visibility of Tier 2 and beyond. In 2020 in the spirit of transparency we joined the Open Apparel Registry providing visibility of our Tier 1 supply base.

Audits

Although we appreciate audits only provide a snapshot in time, we believe they are still a worthy start as a risk assessment tool. At Fred Perry, we use our own internal ethical audit to check all our Tier 1 and 1+ factories and increasingly audit Tier 2 suppliers. These onsite announced audits are conducted by our CSR team.

In addition, independent third-party audits are used as a further monitoring tool, these are annually assessed against our set criteria so that all labour and environmental areas can be graded using a 4 level traffic light system.

Where audits highlight areas of concern, issues are graded in terms of severity and an appropriate timeframe is given for corrective action. We work with our suppliers and support them during this period so compliance can be achieved.
Due to Covid-19, our CSR team have been unable to travel overseas and some factories unable to carry out their annual audits, in such cases we have extended the timeframe to 2021 Q1.

In the UK, as members of Fast Forward we use their audit methodology to assess our UK manufacturing sites and evaluate any modern slavery risks. All factories involved attend Fast Forward supplier training to understand the programme objectives, the audit methodology and what is required of their businesses to embed better practices and drive continuous improvement.

Concentrated Due Diligence

At Fred Perry, we recognise that in order to build and maintain healthy relationships - and to ultimately manage risk - it is critical that we regularly visit our suppliers. As such, we manage a rolling programme of visits by our staff, especially the CSR and Technical team, to all Tier 1, 1+ and Tier 2 sites.

Any new Tier 1 or Tier 1+ factory will benefit from regular visits by members of the Fred Perry team during the initial trial period. If we are satisfied with the new Tier 1/1+ factory during the trial period, it will become one of the sites regularly visited by the CSR and Technical team as part of the rolling programme.

Where required, we support our factories by placing our own personnel on site or by employing independent 3rd party personnel when more appropriate. This support is invaluable to our business, specifically the CSR team. Due to Covid-19 this year supplier visits outside of the UK have proved impossible and our regional technical manager and the above 3rd parties have been invaluable in supporting us in maintaining standards.

On Boarding New Suppliers

To help inform decision making and mitigate risk, all new suppliers are required to go through a process of assessment prior to engagement. This thoroughly evaluates their ethical, commercial and environmental viability in relation to our new supplier set up procedure and due diligence guidelines. As part of this initial assessment procedure, potential new suppliers must submit and facilitate the following:

- Full mapping of their supply chain.
- Disclosure of a minimum of 2 recent 3rd party audits.
- An announced factory visit by our Head of CSR.

All new factories must pass our audit before production can start, they will then be signed up to an ongoing monitoring programme.

Supply Chain – Services and Goods not for Resale

Historically we have focused on our goods for sale supply chain, however we are aware that the same set of risks is also relevant to our service providers and suppliers of goods not for resale. To this end we have undertaken an extensive review to assess the modern slavery and human trafficking risks in these areas and are implementing a robust system to mirror that of our Goods for Sale supply chain, with mapping well underway.

Forced Labour in the Xinjiang Region
In view of the reports of human rights abuses amongst the Uyghur and other ethnic minorities in the Xinjiang region, we have revisited the mapping of our cotton supply chain down through all tiers to investigate if there is any evidence of direct or indirect use of forced labour from or within the region.

This has been supported with focused conversations with our suppliers, and targeted visits into China by our regional technical manager. We continue to visit and to review transactional evidence to maintain visibility of cotton purchasing and recruitment policies.

To date we have found no evidence that any of our garment producers are recruiting from the region, however we have found that 2.4% of our cotton is picked, spun and ginned in this region. Whilst their sites are extensively audited and the relevant company has an exemplary record of human rights and compliance, we are committed to exiting this area. From 2021Q3 onwards we will no longer source from the region.
Our Actions Taken and Steps to Take

Through our due diligence process, we have identified a number of areas at increased risk to modern slavery. The table below highlights risk areas along with the targets we have set ourselves, our achievements to date and our future aims.

<table>
<thead>
<tr>
<th>Supply Chain - Goods for Resale</th>
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<tbody>
<tr>
<td><strong>Modern Slavery Risk</strong></td>
</tr>
<tr>
<td>Lack of visibility of supply chain = increased risk of undetected modern slavery</td>
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**Target:**
- Continue to increase understanding and visibility of our supply chain.

**Achievements to Date:**
- We have maintained 100% mapping of our factory base giving visibility of Tier 1 and Tier 1+ suppliers.
- In 2020 we joined the Open Apparel Registry providing transparency of our Tier 1 suppliers.
- In 2020 we have mapped 80% of our Tier 2 supply base.
- We have maintained mapping of the tanneries used as part of our leather supply chain for footwear and gained increased visibility of our wet processors in this area.
- In 2019 we became a member of Fast Forward and through 2020 have continued a programme of auditing our UK manufacturing sites against their standards. The factories audited to date are indicating modern slavery or forced labour as very low risk.
- Speak Up a whistleblowing hotline is now available to all our UK factories, and their staff.
- We have conducted a review of all non-UK 3rd Party audits against our set criteria using a 4 level traffic light system and commenced a CAP roll out programme. Due to Covid-19 we have focused on the factories where we have a regional technical manager available to represent us.
- New suppliers must provide full mapping of their supply chain along with all 3rd party audits so we can fully assess whether to engage prior to set up.
- In the last year we have gained increased visibility of the cotton supply chain. 92% of our cotton intake for 2020 came from our top 9 suppliers. In our second year as a member of BCI we have sourced 55% of cotton as Better Cotton exceeding our 30% obligation.
- Ban on cotton from Uzbekistan and Turkmenistan.
- Action plan in place to eliminate the sourcing of cotton from the Xinjiang region by 2021 Q3.
## Supply Chain - Goods for Resale - Continued

<table>
<thead>
<tr>
<th>Modern Slavery Risk</th>
<th>Action Taken to Reduce Risk</th>
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</table>
| Lack of visibility of supply chain = increased risk of undetected modern slavery | Future Aims:  
  - To continue mapping Tier 2 suppliers and beyond.  
  - To continue mapping tanneries used as part of our leather supply chain for accessories.  
  - Continue mapping our wet processors.  
  - Continue the roll out of Fast Forward assessments across our UK supply base.  
  - Continue the roll out of our CAP programme for non-UK factories ideally in order of severity as concluded from audit review if C19 permits.  
  - Source 70%+ of our cotton intake for the coming year as Better Cotton from BCI suppliers. Our aim is to increase this % year on year to reach 100% by 2024.  
  - Advertise the "Just Good Work" App in all our factories via poster communication, this check will become integral to our audit process. |

## Supply Chain - Goods for Resale

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<tr>
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<th>Action Taken to Reduce Risk</th>
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| Contract, Agency and Temporary Workers                   | Target:  
  - Further improve our knowledge of the risk faced by contract, agency and temporary workers in our supply chain.                                                                                   |
|                                                          | Achievements to Date:  
  - Having identified the UK as a high-risk area we have mapped our labour providers and have begun a compliance screening programme through Fast Forward.  
  - We have introduced best practice for on-boarding new suppliers which helps provide visibility of labour providers before engagement.  
  - Completed comprehensive supply chain mapping for China along with a 3rd party audit review to determine where agencies are used and help fully evaluate modern slavery risks to agency workers.  
  - Fully mapped our Italian supply base Tier 1, 1+ & Tier 2.  
  - 3rd party audit our Italian supply base to map the use of agencies and evaluate modern slavery risk.  
  - Continue the Fast Forward programme of labour provider compliance across the UK supply base.  
  - Investigate further the individual employment practices of all our Tier 1/1+ sites. |
### Supply Chain - Services and Goods not for Resale

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<tr>
<th>Modern Slavery Risk</th>
<th>Action Taken to Reduce Risk</th>
</tr>
</thead>
</table>
| Lack of visibility of supply chain = increased risk of undetected modern slavery   | **Target:**  
  - To improve our knowledge of our service providers and goods not for resale suppliers. This will help us and them identify and protect against modern slavery risks.  

  **Achievements to Date:**  
  - Continued mapping our service providers.  
  - Continued mapping our Tier 1 goods not for resale suppliers.  

  **Future Aims:**  
  - Gain complete transparency of our service providers.  
  - Complete mapping Tier 1 goods not for resale suppliers and extend to Tier 2.  
  - All service providers and goods not for resale suppliers will need to provide evidence of their own due diligence programme and submit internal and/or 3rd Party audits for us to review against our set criteria.  
  - Audit our UK DC against Fast Forward standard, this is planned for early 2021 and has been delayed due to Covid-19. |

### Own Operations

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<tr>
<th>Modern Slavery Risk</th>
<th>Action Taken to Reduce Risk</th>
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</table>
| Recruitment Agencies not following our own recruitment standards and procedures  | **Achievements to Date:**  
  - Recruitment now occurs inhouse wherever possible reducing the use of labour providers. In 2020 96% of new permanent employees were recruited internally without the need of a recruitment agency.  
  - In 2020 we used recruitment agencies to hire only 4% of our permanent employees and the 14% of new workers employed on a temporary basis.  

  **Future Aims:**  
  - Introduce a recruitment policy to support the selection and engagement of 3rd party recruiters, this has been delayed due to Covid-19. |

| Access to Training                                                                | **•** The staged roll out of our internal e-learning training tool is planned for early 2021 to all employees and will be made an integral part of all new employees’ induction programme. |
Training

The Modern Slavery Act has brought the issue of modern slavery to the forefront. We are committed at Fred Perry to ensuring that it remains there, and that those within our business and supply chain continue to develop their awareness and understanding of the risks posed.

Regular internal meetings are conducted by the CSR team to ensure that all heads of departments are fully informed on modern slavery and human rights issues and able to engage in regular discussions. In early 2021 we are planning the staged roll out of an internal training programme for all our employees to improve their understanding of modern slavery and awareness of the actions required if they suspect it is occurring. This e-learning training tool will be available to all employees and form part of their induction programme at Fred Perry.

We recognise the need to raise awareness of modern slavery externally through our supply chain. To facilitate this, we plan to engage our product suppliers in training on this subject and provide them with the required training tools so they can extend their knowledge further through the supply chain. All UK suppliers audited against the Fast Forward Standard have been provided with external training to increase their recognition of any issues and support them in improving and embedding legal and ethical labour standards.