

TFG Brands (London) Limited

Modern Slavery Act 2015 Transparency Statement

Financial year
2020-2021

HOBBS
LONDON
Phase Eight
WHISTLES

TFG
LONDON

d a m s e l
in a dress
Studio8
by Phase Eight

Content

Introduction	1
What is modern slavery?	2-4
Our business	5
Sourcing landscape	6-7
Our supply Chain	8
Policy	9
Due diligence	10-11
Training	12
Who we work with	13
Actions taken	14-23
Case study: Seafarers Crisis	24
Next steps	25

Introduction



As a purpose-led business that aims to put people and the planet first, it is important to us to continue to protect the human rights of those who help make and sell our products and services. This is a collective effort, and everyone involved in or with our operations has a responsibility to uphold this fundamental value.

Despite significant recent progress in protecting human rights, in the laws and systems set up to provide greater scrutiny, the reality is that people all around the world remain vulnerable to modern slavery and human trafficking. We are seeing borderless labour and the changing world of work contributing to the genesis of an often informal and invisible workforce. As a result, people are exposed to unregulated working hours and fluctuating pay, without access to benefits or representation. To add to this, the COVID-19 global pandemic means the most vulnerable all over the world are at an even greater risk of exploitation. We have to recognise the overall negative impact that the pandemic has had on furthering this essential worldwide programme.

Navigating such challenges is increasingly complex for a business like ours. But we take our responsibilities seriously; when we champion higher standards and practices, we can have a real impact on the lives of millions of people across our value chain. And we know that this impact is enhanced through collaborative action.

We are listening to the experience of others – particularly those working to support victims. We are working with governments, civil society, NGOs, unions, and others in the retail industry to create effective abuse detection and prevention mechanisms, and to implement meaningful and sustainable change on the ground.

We continue to make solid progress and to reach more people in a systematic way, and it is vital that we maintain an unwavering focus on these issues.

We aim to continue to demonstrate what it takes to be an ethical and sustainable business.

This report sets out our approach and details of our initiatives. It is what all our stakeholders expect from us and what we believe in as central to progress our aim to be a responsible business.

A handwritten signature in black ink, appearing to read 'Justin Hampshire'.

Justin Hampshire
Group Managing Director,
TFG Brands (London) Limited

What is modern slavery?

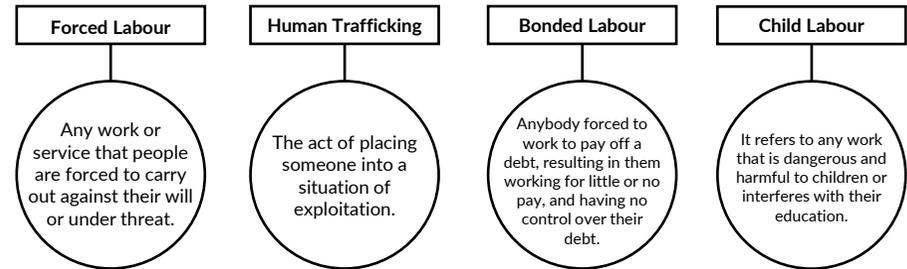
About 150 years after most countries banned slavery, millions of men, women and children are still enslaved. Contemporary slavery, as defined in the 1956 UN supplementary convention, takes many forms, including debt bondage, servitude, child slavery, forced labour and human trafficking.

Anti-Slavery International defines modern slavery as “exploitative labour that places one person in the control of another”. Slavery thrives on every continent and in almost every country and is still prevalent in the fashion industry and other labour-intensive industries.

Modern Slavery is a violation of human rights where victims are denied their basic rights to dignity, freedom and security. Victims are trapped in a situation where they are often powerless and vulnerable, and therefore unable to leave because they are subject to deception, mental and/or physical abuse, threats and punishment.

TFG Brands is committed to respecting, protecting and advocating for the human rights of all the stakeholders who are involved in our own operations. As such we accept that it is our responsibility to support transparency and integrity, to be proactive in resolving problems and to collaborate with others to protect the human and labour rights of workers.

To help us identify better what to look for, we have broken down modern slavery into four key areas.



Forced Labour

The International Labour Organisation (“ILO”) defines forced or compulsory labour as “all work or service which is exacted from any person under the threat of a penalty and for which the person has not offered himself or herself voluntarily.” This means any work or service that people are forced to carry out against their will or under threat.

Bonded Labour

Also known as ‘debt bondage’ or ‘debt slavery’, this is the most prevalent form of modern slavery. It refers to anybody forced to work to pay off a debt, resulting in them working for little or no pay, and having no control over their debt. For example, labourers might borrow money to pay their traffickers for promised work overseas. When they arrive, their passports are confiscated by the traffickers and they cannot leave until they ‘pay off’ the money.

Human Trafficking

Anti-Slavery International defines human trafficking as the “recruitment, harbouring or transporting of people into a situation of exploitation through the use of violence, deception or coercion and forced to work against their will”. In short, it is the act of placing someone into a situation of exploitation. Often this involves moving someone across borders, however human trafficking can also occur within a single country.

Child slavery

This occurs when a child or a child’s labour is exploited for someone else’s gain. It can include child trafficking and child domestic slavery. The minimum age can change depending on the kind of work, but it refers to any work that is dangerous and harmful to children or interferes with their education.

Some key facts

Today slavery is less about people literally owning other people - although that still exists - but more about being exploited and completely controlled by someone else, without being able to leave. Anti-Slavery International estimates that over **40 million** people are involved in forced labour at any given time. Below is a summary of some key statistics, estimated by the ILO.

10 million
children are in
slavery across the
world

1.5 million
people are in
slavery in
developed
economies

16 million
slavery victims
are exploited in
economic
activities

4.8 million
people are forced
into sexual
exploitation

4.1 million people
in slavery are
exploited by
governments

\$150 billion
illegal yearly
profits by forced
labour in private
economies

Who does modern slavery affect?

Modern slavery exists anywhere in the world and can affect people of any sex, age or race. Modern slavery most commonly affects people who are vulnerable and at risk of being taken advantage of – such as someone living in poverty, or someone from a community that is discriminated against, such as migrant workers. A typical scenario features someone who is enticed to accept a job offer abroad that turns out to be very different to what was promised and remain bound to the organisers of the scheme, often referred to as 'gangmasters'.

Why is it an issue?

A report by the Walk Free Foundation found that the fashion industry contributes more money toward modern slavery than any other sector apart from tech. A 2016 report into Corporate Leadership on Modern Slavery found that of 71 leading retailers in the UK, 77% believed there was a likelihood of modern slavery occurring at some stage in their supply chains.

The lack of transparency and traceability across the fashion global supply chains is a major challenge. This means that it is extremely difficult to know how many people are working directly or indirectly in fashion, and the conditions that they are working in.

Modern slavery takes place at different stages of the supply chain, and across all industry sectors. In labour-intensive industries such as fashion, products are touched by many pairs of hands before they reach final consumers. While first tier factories are often audited in long supply chains, many secondary tiers are not, which makes it difficult to assess with certainty that modern slavery is not present.

Modern slavery in a global context

International NGOs

Non-governmental organisations (“NGOs”) have a big impact on modern slavery legislation and awareness. They provide research and data about the current impacts of modern slavery, helping businesses and governments to take action and manage risk.

Our partner [Anti-Slavery International](#) is the world’s oldest anti-slavery charity, formed in 1839. They advise governments on legislation and were part of the development of some of the world’s major anti-slavery laws. They work with us to help identify slavery in global supply chains by advising on the best ways to stop slavery practices.

TFG Brands also refers to the [Global Slavery Index](#) and its interactive data maps that list countries according to the number of people in modern slavery, and analyses government actions in response to this issue. It was created by the [Walk Free Foundation](#), whose mission is to end slavery in all forms.

Global legislation

Modern slavery legislations have been rapidly spreading right across the world as demand grows for companies to publicly disclose their efforts to address slavery and human trafficking in their supply chains. As well as the UK Modern Slavery Act 2015, global legislations includes:

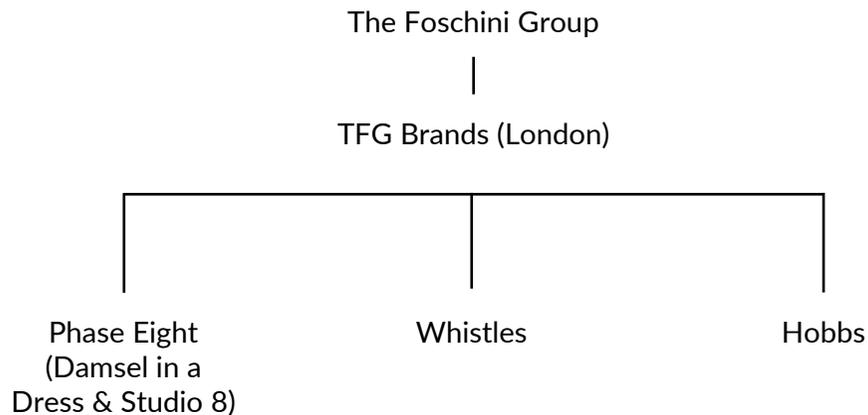
- The California Transparency in Supply Chain Act 2010
- The US Dodd Frank Wall Street Reform and Consumer Protection Act 2010
- The Singapore Prevention of Human Trafficking Act 2014
- The French Duty of Vigilance Act 2017
- The Australian Modern Slavery Act 2018 (‘New South Wales Act’)
- The Australian Modern Slavery Bill 2018 (‘Commonwealth Bill’)
- The Dutch Child Labour and Due Diligence Law 2019

We expect more countries to follow the UK’s lead in setting up similar legislations to curb modern slavery, however, it is worth noting that international provisions for decent labour standards have already been outlined and legislated in most countries around the world.

Our business

Headquartered in London, TFG Brands (London) Limited (“TFG Brands”) is owned by The Foschini Group Limited (“TFG”) a leading publicly listed South African retail group. TFG first entered the UK market (forming TFG Brands) through the acquisition of the premium womenswear brand Phase Eight in January 2015. Since then, the premium womenswear brands Whistles, Hobbs, Damsel in a Dress and Studio 8 have been added to TFG Brands.

Each brand focuses on a different customer and style, from the contemporary designs at Whistles to understated British elegance at Hobbs and exclusive occasion and daywear collections at Phase Eight. TFG Brands employs 2,408 people who work across all three brands, in the central teams and throughout the retail network.



Phase Eight

Founded In 1979, Phase Eight is a premium British womenswear brand producing clothing, footwear, and accessories. Phase Eight has two sister brands, Studio 8 launched in 2015 and Damsel in a Dress relaunched in 2017. Acquired by TFG Brands in 2015, Phase Eight is headquartered in London with its customer services operations and Distribution Centre (“DC”) based in Rochester, Kent. Phase Eight has a strong international retail and online presence, operating in 15 territories across 440 solus stores and concessions. Phase Eight employs 1,181 people. Phase Eight’s DC is operated by a third-party logistics company, who employ 200 employees.

Whistles

Whistles is a multi-channel fashion brand selling apparel, footwear, and accessories for the contemporary woman. Acquired by TFG Brands in 2016, Whistles is headquartered in London and has a customer services team in Rochester, Kent. Whistles DC is located in Hemel Hempstead and operated by a third-party logistics company who employs 58 people on the Whistles contract. Whistles has a strong retail and online presence operating in 6 key territories across 139 solus stores and concessions. Whistles employs 350 people.

Hobbs

Founded in 1981, Hobbs is a premium British womenswear brand offering clothing, footwear, and accessories. Acquired by TFG Brands in 2017, Hobbs is headquartered in London along with its DC and has a strong retail and online presence and operates in 10 territories across 226 solus stores and concessions. Hobbs employs 729 people.

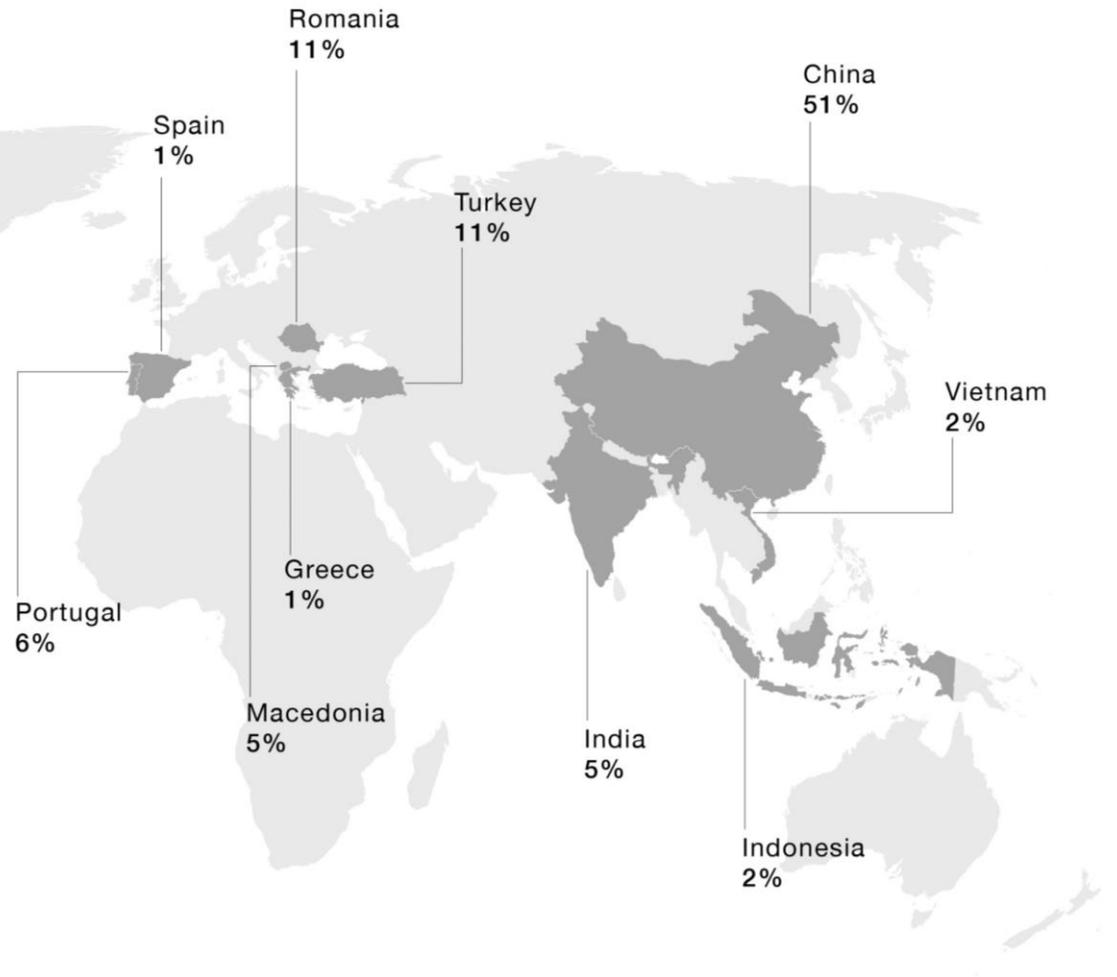


Sourcing landscape

Collectively, TFG Brands manufactures products through a global network of 147 external suppliers (of which 37 are shared) across 20 countries and in 314 first tier production sites (of which 44 are shared).

Further to our first tier suppliers, TFG Brands have fully mapped their second tier 'primary process' suppliers providing processes such as stitching, cutting, quality control and packing. The brands do not have direct relationships with these suppliers and are managed via their first tier suppliers. All brands source their fabrics, components, and raw materials through the same network and in-house.

Representing 95% of purchased volumes during the 2020-2021 financial year, TFG Brands top 10 sourcing countries are China, Turkey, Romania, Portugal, Macedonia, India, Indonesia, Vietnam, Spain and Greece.



Phase Eight

Phase Eight manufactures its product in 125 first tier factory sites across 13 countries. Phase Eight's factory relationships are managed through an external network of 59 suppliers, of which 30 are direct and 29 are agents. Phase Eight top 10 sourcing countries are China, Romania, Turkey, Greece, India, Portugal, Indonesia, Italy, Sri Lanka, and Macedonia, representing 99% of purchased volumes this year.

Whistles

Whistles manufactures its product in 88 first tier factory sites across 13 countries. Whistles' factory relationships are managed through an external network of 52 suppliers, of which 41 are direct and 11 are agents. Whistles top 10 sourcing countries are China, Turkey, Portugal, India, Spain, Mauritius, Macedonia, Indonesia, Italy and Romania, representing 99% of purchased volumes this year.

Hobbs

Hobbs manufactures its products in 101 first tier factory sites across 15 countries. Hobbs' factory relationships are managed through an external network of 64 suppliers, of which 44 are direct and 20 are agents. Hobbs top 10 sourcing countries are China, Macedonia, Turkey, Italy, Romania, Portugal, India, Vietnam, Indonesia, Sri Lanka and Brazil, representing 95% of purchased volumes this year.

The table illustrates our sourcing landscape ordered by prevalence of modern slavery according to the [Global Slavery Index Map](#) and purchased volumes for 2020-2021.

Country	Prevalence of Modern Slavery	TFG Brands Purchased Volumes 2020-2021
Macedonia, the former Yugoslav Republic of	25	6%
Greece	27	1%
Turkey	48	11%
India	53	5%
Lithuania	59	<0.1%
Indonesia	74	2%
Viet Nam	77	2%
Romania	81	10%
China**	111	51%
Portugal	120	6%
Morocco	121	<0.1%
Italy	122	1%
Spain	124	1%
Tunisia	126	<0.1%
Sri Lanka	130	1%
United Kingdom	132	<0.1%
Brazil	142	<0.1%
Netherlands	143	<0.1%
United Arab Emirates*	148	<0.1%
Mauritius	161	<0.1%

*Substantial gaps in data exist for the Arab States region and Gulf countries in particular. These gaps point to a significant underestimate of the extent of modern slavery in this region. As a result, the country-level estimates presented here are considered very conservative and should be interpreted cautiously.

**Substantial gaps in data exist for the Central and East Asia subregions where, with the exception of Mongolia, surveys cannot be conducted for reasons such as (i) survey is only delivered face-to-face, (ii) survey is delivered only in the main language which many migrant workers do not speak, or (iii) national authorities would not, or were unlikely to, consent to the module on modern slavery. Unlike several countries in Western Europe where no surveys were conducted, none of the countries in these subregions were identified as sites of exploitation by respondents in the 48 countries where surveys were implemented.

Our supply chain

Our supply chain is divided into two channels:

Products for re-sale online and in stores, including the brands' branded products and other third-party brand product.

Non-stock items and services, including outsourced customer deliveries, logistics, IT, cleaning, customer care and catering.

All brands under the TFG Brands design their own brand's products in their central locations in London and are manufactured by third party factories.

The sourcing department (comprised of the technical, buying, merchandising and design teams) manage the brands' supply chains. The CSR and Sustainability team works across the group to support its sphere of influence, collaborating with the sourcing department to ensure that product and raw material suppliers are selected based on ethical and sustainable credentials, together with commercial criteria.

The brands non-stock products and services are managed by the procurement teams, supported by the CSR and Sustainability team, as well as the TFG Brands legal team.

Each brand has a modern slavery mechanism in place that is steered at group level and set up to drive the modern slavery agenda forward across all departments, looking at both supply chain channels. Through this mechanism, we carry out a risk assessment across our manufacturers and non-stock suppliers. Each brand's supply chain is defined as follows;

Tier	Definition	Example	Hobbs	Phase Eight	Whistles
1	Main Production Site	CMT factory shipping product directly to brand	Fully Mapped	Fully Mapped	Fully Mapped
2	Primary Process Sub-contractor	Provider of one or more processes e.g. stitching, cutting, packing, QC and shipping to tier one supplier	Fully Mapped	Fully Mapped	Fully Mapped
3	Secondary Process Sub-contractor	Provider of one or more processes e.g. stitching, cutting, packing, QC and shipping to tier two supplier	Partially Mapped	Partially Mapped	Partially Mapped
4	Fabrics and Components	Fabric mills, tanneries, hardware and trims	Partially Mapped	Not Mapped	Partially Mapped
5	Raw Materials	Textile fibres, natural and synthetic materials	Partially Mapped	Not Mapped	Partially Mapped

Policy

As part of our ever-evolving ethical trading strategy - based on the UN Guiding Principles on Business and Human Rights (“UNGPs”) and the ETI Human Rights Due Diligence Framework - we have developed our operational policies with the view of respecting, protecting and remedying the human and labour rights of all those who work on our behalf.

TFG Brands core policies relate to our commitment to adopting the UNGPs, to benefit all those who work on behalf of the brands, and are our [Supplier Code of Conduct](#), the [Migrant Workers Employment Policy and Implementation Guidelines](#), [Homeworkers Policy](#), [Neptune Declaration](#), [Maritime Labour Convention 2006](#) and the [Young Worker and Child Labour Policy](#).

Our Supplier Code of Conduct (“Code of Conduct”) is aligned with the Ethical Trading Initiative (“ETI”) base code, with elements of the SAI SA8000 Standard:2014. It outlines the minimum social and environmental standards we expect each factory to meet and our expectations regarding the conditions in which our products should be manufactured.

Our Migrant Workers Employment Policy and Implementation Guidelines set out the supplier requirement to protect, respect and remedy the rights and welfare of migrant and contract workers, some of the most vulnerable to exploitation and modern slavery. Within this policy, TFG Brands endorses the [Employer Pays Principle](#), which reflects the [Dhaka Principles for Migration with Dignity](#).

Our Homeworkers Policy communicates our position towards homeworking in our supply chains, providing support to our supply chain partners. Homeworkers exist in our supply chains and we are supportive of this. The majority of homeworkers are women who are balancing paid work with domestic and family responsibilities with few practical alternatives to provide income. We are committed to sustaining homeworkers’ employment and making their work as regular as possible, while contributing through our purchasing practices to improved rights, income, and working conditions.

[The Neptune Declaration on Seafarers Wellbeing and Crew Change](#) aims to promote and protect the welfare of seafarers. It was launched in response to the crew change crisis, which has resulted in around 400,000 seafarers stranded on ships because of coronavirus-related travel bans.

[The Maritime Labour Convention 2006](#) (“MLC 2006”) is aimed at establishing minimum working and living standards for all seafarers working on ships flying the flags of ratifying countries.

Our Young Workers and Child Labour Policy prohibits the recruitment of child workers in our supply chains and outlines remediation guidelines.

Finally, other policies that are also related to the prevention of modern slavery are our Anti-Bribery Policy, Whistleblowing Policy, Equal Opportunity Policy and our Compliance Handbook.

This year we commit to review all of our current policies to ensure they reflect existing, new and upcoming topics in line with our group due diligence framework.

Due diligence

Governance

The TFG Brands Board of Directors and Managing Director are responsible for ensuring TFG Brands meets its human rights responsibilities. They are supported by the CSR and Sustainability team and sourcing teams.

Risk assessment and management

Modern slavery depends on multiple factors and TFG Brands has identified key elements that pose a risk of modern slavery in global supply chains. As such, TFG Brands applies these considerations to its own assessment of risk to broaden its understanding of what can contribute to modern slavery.

External Factors

- Poverty
- Lack of well-paid, safe jobs
- Discrimination against vulnerable people and minority groups
- Poor local laws and lack of enforcement
- Corruption of government agencies, businesses and collusion
- No regulation of recruitment agencies

Business Models

- Short lead times
- Unrealistic expectations
- Speed and price that precede ethical standards
- Delayed payments
- Sub-contracting
- Extended and complex employment relationships
- Use of labour recruiters and brokers

The Global Slavery Index has found that there are two main key risk drivers:

- Repressive regimes where the government puts population to work (e.g. North Korea)
- Conflict situations where laws, social structures, and normal protection systems are not working (e.g. the refugee crisis in Syria)

At the same time some industry business models can have a direct effect on increasing the risk of modern slavery occurring in our supply chain. For this very reason, in 2018 Whistles voluntarily joined the Better Buying initiative in order to scrutinise their own purchasing practices and assess how their business model might impact supply chain partners.

We are continuing our work to improve purchasing practices across the group and the upcoming year will also see us collaborating with industry peers to align methodologies.

- We know that unrealistic expectations about lead times can cause suppliers to slip on their ethical standards in order to meet high-pressure expectations from clients. As such, we talk with them to understand what deadlines are realistically possible to meet.
- We ensure our ethical trade policy is prioritised over any cuts on delivery speed and price and align our procurement practices in line with these standards.
- We discuss payment schedules and margins with suppliers, and ensure we make payments on time.
- We ask suppliers about their use of sub-contractors, recruiters and brokers in order to have visibility of supply chains.

We believe that business model related factors must be tackled hand-in-hand with our suppliers. It must be a joint effort, where parties involved trust each other and reciprocate with honesty and openness.

In addition, we are conducting further analysis of areas of our business where there is migrant labour, high presence of refugees, home workers, young workers and a risk of the use of child labour, contract and temporary workers, women workers, and outsourced recruitment agencies.

It is always possible that suppliers have cases of modern slavery in their supply chain, but they may not realise what it is.

We refer to the [UK Gangmasters and Labour Abuse Authority \(GLAA\)](#) that has a detailed list of things to watch out for among the workers in our operations and supply chain. These include indicators across:

- Restricted freedom
- Behaviour
- Finances
- Working conditions
- Accommodation
- Appearance

We recognise that certain countries within our own operations may have one or more of these modern slavery risks and as such, we have divided them into three different categories of high, medium and low risk and allocated appropriate priorities. This differentiation was based upon assessing causes and contribution, direct and indirect impacts as well as level and influence, according to the prevalence of modern slavery as highlighted in the Global Slavery Index map.

Our priority focus is currently on product manufacture and raw materials farming, harvesting and processing. As such we have developed specific policies and tools which allow us to investigate further where issues arise.

As part of our risk assessment and management, we rely on expert research and advice, and partner with specialists on the ground to further investigations with our suppliers or to raise awareness of potential risks. At the same time, we value our partnerships with key NGOs, suppliers, other brands and multi stakeholder platforms such as the Ethical Trading Initiative, working together on pre-competitive ground to find a common solution to salient issues.

Mapping our supply chain is an essential piece of work in managing and mitigating risks. In 2016 we started the mapping of our supply chain, which allowed us to gain visibility of all our first tier suppliers. In order to further these efforts, we invested in a digital platform which allows us to map our supply chain tiers beyond first tier, down to raw material.

In addition to this, and to demonstrate our first steps to radical transparency we joined the [Open Apparel Registry](#), contributing to resolve an important challenge that the industry has been struggling with for several years – the lack of single facility identifier for garment factories in the apparel supply chain. We believe this development is key in our industry and will support current and future brand and stakeholder collaborations on an array of activities at factory level, ranging from joint remediation to collaborative capacity building activities.

Although we acknowledge that it is in the nature of supply chains to be continuously evolving, we are working towards establishing long lasting relationships with our existing suppliers and the aim for 2021 is to focus on continuing to map our supply base beyond our second tier.

Training and collaboration

We continuously provide updates and raise awareness of salient modern slavery risks internally to both our procurement and operations teams as well as our Board of Directors and work collaboratively to find solutions to mitigate these issues.

At the same time, we continue our longstanding partnership with industry peers such as ASOS, and jointly participated in a series of events throughout the year on topics ranging from forced labour and human rights abuses in the Xinjiang Uyghur Autonomous Region ("XUAR"), to purchasing practices improvement and current labour costing methodologies.

Small Brands Working Group

This working group was born from the need to collaborate among similar size brands and retailers as a result of the Covid-19 pandemic, and to this day it proves to be an invaluable platform in which ethical trading teams exchange resources, knowledge, practices and intelligence, as well as enabling us to identify where leverage can be gained through opportunities to collaborate.

Modern Slavery Research Projects

Over the past year we have contributed to modern slavery related research projects led by distinguished UK and US Universities, sharing our case studies and experience in mitigating risks, as well as outlining ongoing challenges and existing limitations.



Who we work with



The Ethical Trading Initiative ("ETI") is a leading alliance of companies, trade unions and NGOs that promotes respect for workers' rights around the globe. Their vision is a world where all workers are free from exploitation and discrimination, and enjoy conditions of freedom, security and equity.



Anti-Slavery International first identified slavery in supply chains as a key issue in the fight against slavery over two decades ago. They tackle modern slavery in supply chains through research, advocacy and engagement with business.



The Open Apparel Registry ("OAR") is an open source map and database of global apparel facilities, with their affiliations and unique OAR IDs assigned to each facility.



The International Transport Workers Federation ("ITF") is a democratic, affiliate-led federation recognised as the world's leading transport authority. They fight to improve working lives and help their members to secure rights, equality and justice.



Quizrr helps suppliers and buyers in building a common knowledge platform, a safe workplace, trust, transparency and dialogue for all employees at all levels in the supply chain. Quizrr provides a fun, fast and flexible training tool for measurable impact.



HomeWorkers Worldwide works to support homeworkers and their organisations in their struggle for rights and respect.



The Coalition to End Forced Labour in the Uyghur Region is a coalition of civil society organisations and trade unions united to end state-sponsored forced labour and other egregious human rights abuses against people from the Uyghur Region in China, known to local people as East Turkistan.



Sedex is one of the world's leading ethical trade membership organisations, working with businesses to improve working conditions in global supply chains.

Actions taken

Since the publication of our 2019-2020 statement, our business – in line with all businesses worldwide – faced unprecedented times as we witnessed first-hand the impact that the Covid-19 pandemic has had, and will continue to have on our own operations and supply chains.

Some of our direct suppliers have suffered the impact of the pandemic more severely than others and as a business we suddenly found ourselves having to manage the enormity of its scale while working hard to find measures to mitigate the impact that inevitably we experienced and have momentarily changed our circumstances and those of all our stakeholders.

It was in no small part thanks to the strength of the relationships we had forged with our suppliers and to our commitment to put human and workers' rights first, as well as leaning on the support of our key stakeholders that we jointly succeeded in navigating through these challenging times.

We acknowledge the important role our business plays in preventing the risk of adverse human rights impacts and upholding the highest standards, and we are more than ever focussed on picking up where we left on our journey with regained hope and drive.

Last year we set ourselves some challenging targets and commitments to tackle modern slavery. Since then, the pandemic drastically slowed our progress, but whilst we didn't quite achieve all we had hoped to, new challenges and risks presented themselves, and we are incredibly proud of the rapid response and successes we achieved.

We have included updates in this statement, and for full transparency we have summarised our progress against each target below as well as including case studies on new salient issues.

Modern Slavery Risk	Definition of Issue	Steps Taken	TFG Brands Commitment	2020-2021 Progress Update
<p>Migrant Labour</p>	<p>Migrant workers paying recruitment fees might be trapped in bonded labour and be subjected to substandard employment terms.</p> <p>Recruitment agencies are often in between the employer and the worker, leaving the worker at risk of deceptive or coercive recruitment practices.</p> <p>It is often difficult for migrant workers to understand their rights and terms of employment.</p> <p>Countries of highest risk for TFG Brands are Mauritius, China and Turkey.</p>	<p>Developed our Migrant Workers Employment Policy and Implementation Guidelines.</p> <p>Conducted an extensive impact assessment of Whistles Mauritian factory.</p> <p>Supported suppliers in implementing the 'employer pays principle' according to which no worker should pay for the cost of recruitment.</p> <p>Joined ETI Mauritius Migrant Labour caucus group.</p> <p>Lobbied Mauritian and Bangladeshi governments to address migrant worker protection within government-to-government agreement.</p> <p>Participated on the event 'Migrant Workers: Driving Collaborative Approaches Towards Responsible Recruitment' in Mauritius, bringing together key stakeholders to discuss challenges in managing labour migration, and agree on a common framework for improving worker protection in Mauritius and beyond.</p> <p>Partnered with Quizrr to offer digital training solutions, developed in collaboration with global brands, suppliers, experts and NGOs, to educate workers in our Chinese supply chain on migrant issues, including migrant parenting.</p>	<p>Further our commitment to map and carry out a risk assessment of migrant labour across our supply chain.</p> <p>Revise TFG Migrant and Contract Worker Policy to include further detail on ethical recruitment, remediation, and guidance for implementation across high risk regions and business operations, as multi stakeholder dialogue progresses.</p> <p>Continue to influence the Bangladeshi and Mauritian governments regarding a fair migration corridor between the two countries</p> <p>Identify and collaborate with specialist NGOs to further our migrant labour programme.</p> <p>Continue engagement with ETI Mauritius Working Group to deliver roadmap of activities agreed at multi-stakeholder event.</p> <p>Monitor the progress of the Quizrr programme and act upon remediation where needed.</p>	<p>Partially Delayed:</p> <p>We have been able to extend our risk assessment to China in relation to reports of state enforced labour transfer schemes and we continue to monitor this risk by working closely with the Coalition to End Uyghur forced labour in the XUAR.</p> <p>As a result of this we will apply changes to our existing Migrant and Contract Worker Policy to reflect this.</p> <p>Due to the Covid-19 pandemic we have not been able to make the progress we hoped to achieve on the Mauritian Working group as this ceased to exist. However, we will be revisiting this during the course of this year.</p> <p>As we launched the programme, the pandemic outbreak slowed its progress due to lockdown and factories shutting down.</p> <p>However, as restrictions are lifting our aim is to onboard all our top 20 suppliers' facilities during 2021 with the hope to increase uptake in the near future.</p>

Modern Slavery Risk	Definition of Issue	Steps Taken	TFG Brands Commitment	2020-2021 Progress Update
Refugee Labour	<p>Refugees are particularly vulnerable to exploitation and trafficking, as well as forced labour and debt bondage.</p> <p>Often, they do not have access to legal aid or support on the ground, making them more vulnerable to exploitation.</p> <p>We identified our main risk in Turkey as well as Greece.</p>	<p>Participated in ETI working group on Business and Human Rights and ETI Turkey Platform Steering Group, to develop a robust framework on exploitation and discrimination of refugees in Turkey, looking at issues such as purchasing practices, social dialogue and business and human rights.</p>	<p>Continue to participate in ETI Turkey Working groups.</p> <p>Continue to support suppliers to provide decent employment opportunities for Syrian refugees.</p> <p>Established links between factories and local NGO to facilitate the recruitment of Syrian workers into our supply chain.</p> <p>Identify and collaborate with specialist NGOs to further our Turkey country programme and provide awareness training to our suppliers.</p> <p>Further delve into refugee labour in Greece, in light of the 2015 Syrian refugee exodus and the most recent reopening of Turkish borders.</p>	<p><u>Delayed:</u></p> <p>The progress in this area was stalled as the ETI Turkey Working group ceased to exist.</p> <p>However, while there have been delays in establishing links with local NGOs, we continue to monitor labour recruitment and workforce demographics in our Turkish supply chain, while maintaining an open dialogue with our direct suppliers.</p>
Modern Slavery Risk	Definition of Issue	Steps Taken	TFG Brands Commitment	2020-2021 Progress Update
Child Labour and Young Workers	<p>Children and Young Workers are more vulnerable to exploitation and contemporary forms of modern slavery, also due to lack of robust HR practices in place to ensure their age.</p> <p>Countries of risk identified are Turkey and India.</p>	<p>Added robustness to our Child Labour and Young Worker policy and communicated this to all suppliers.</p>	<p>Continue to participate in ETI Turkey Working groups.</p> <p>Identify and collaborate with specialist NGO to further our Turkey country programme and provide awareness training to our suppliers.</p> <p>Conduct further risk assessment of our supply chain to understand where hot spots for child labour exist and the type of unit.</p> <p>Build our regional capacity with local NGOs to address root causes of child labour and deliver a remediation programme.</p>	<p><u>Partially Delayed:</u></p> <p>We have not been able to continue our work with the ETI Turkey Working group as it ceased to exist. However, we were able to conduct further risk assessment in our supply chains before the pandemic outbreak, identifying the presence of homeworkers in India.</p> <p>As a result of this, this year we will work alongside the established NGO Homeworkers Worldwide to trial their newly released toolkit with a few of our selected suppliers. One of the aims of the toolkit is to provide sustainable solutions in the fight against child labour in home-based craft production.</p>

Modern Slavery Risk	Definition of Issue	Steps Taken	TFG Brands Commitment	2020-2021 Progress Update
Contract and Agency Workers	<p>There is insecurity in the status of contract workers, which leaves them more vulnerable to exploitation.</p> <p>Recruitment agencies create an additional layer between workers and the employer and do not guarantee a great deal of transparency, as well as potentially exposing workers to exploitative practices</p> <p>Areas of risk identified are Turkey, India and UK.</p>	<p>Developed our Migrant Workers Employment Policy and Implementation Guidelines.</p> <p>Developed a modern slavery risk assessment for our supply chain and our DC.</p> <p>Conducted contract, agency and temporary worker risk assessment across our top ten sourcing regions.</p> <p>Collaborated with a leading NGO to develop training programmes on modern slavery for our DC.</p>	<p>Further our risk assessment of supply chain to identify where other potential risks lie, including home workers.</p> <p>Develop risk mitigation strategy for contract and agency labour in our supply chain.</p> <p>Continue our collaboration with leading NGO to extend awareness to our supply chain.</p> <p>Refresh training sessions on modern slavery in our DC's.</p>	<p><u>In progress:</u></p> <p>This year we partnered with Anti-Slavery International, with whom we will formally develop risk mitigation strategies to tackle workers' rights infringements related to contract and agency labour in our supply chains,</p> <p>In addition, Anti-Slavery International will also be our official partner to deliver ad hoc training sessions on modern slavery at both our DC's and central offices.</p>
Modern Slavery Risk	Definition of Issue	Steps Taken	TFG Brands Commitment	2020-2021 Progress Update
Female Workers	<p>Women are particularly vulnerable to exploitation, human trafficking and bonded labour.</p> <p>Areas of risk identified are all our sourcing regions.</p>	<p>Participated in a series of ETI learning events to further develop understanding and share practical examples of how gender equality can be integrated into an ethical trade programme.</p> <p>Started applying a gender lens to human rights due diligence by initiating a gender mapping exercise of our supply chain to identify hotspots.</p>	<p>Prioritise areas of focus, stakeholder engagement especially with suppliers, workers, local representatives, NGOs.</p> <p>Establishing the right partnerships to support us with this work to ensure female workers' voices are heard.</p>	<p><u>Delayed:</u></p> <p>Due to the pandemic outbreak and our need to shift priorities to manage limited resources, we had to delay this area of focus. However we seek to progress during the course of this year, starting with our focus on female homeworkers.</p>

Modern Slavery Risk	Definition of Issue	Steps Taken	TFG Brands Commitment	2020-2021 Progress Update
<p>Purchasing Practices</p>	<p>Purchasing practices can prevent supplier compliance with company codes of conduct and put at risk the lives and dignity of workers in supply chains. While poor purchasing practices have led to many problems, including child labour and employee retrenchment, many of their negative effects fall into four categories:</p> <ol style="list-style-type: none"> 1. Failure to pay wages and benefits required by law and buyers' codes of conduct 2. Use of excessive overtime, some of which may be forced 3. Unauthorized subcontracting to unsafe facilities with poor working conditions 4. Increase use of temporary labour making employment more precarious 	<p>Whistles voluntarily joined Better Buying, a global initiative that provides retailers, brands, and suppliers a cloud-based platform to obtain data-driven insights into purchasing activities.</p> <p>Better Buying's transparency fosters sustainable partnerships and mutually beneficial financial results and other outcomes.</p> <p>Anonymous supplier ratings of buyer purchasing practices are aggregated, scored, and made available to the participating retailers, brands, and suppliers with the goal of accelerating change and industry-wide improvements across supply chains.</p> <p>Whistles benefited from the Better Buying Responsible Purchasing Workshop. The objective of the workshop was to raise awareness on the link between purchasing practices and labour standards in our supply chain and to develop a strategy and action plan.</p>	<p>Applying the lessons learnt from the Better Buying initiative, we are extending the Responsible Buying training to both Hobbs and Phase Eight.</p> <p>In addition, we are setting up a purchasing practices taskforce to take forward the suggestions and recommendations that emerged from the workshop.</p> <p>Redrafting the job descriptions and KPIs for buyers to ensure that ethical trade commitments are included in their performance metrics.</p> <p>Reviewing our Terms and Conditions to ensure they are aligned with our values and standards.</p> <p>Exploring developing a buyers code of conduct to match the suppliers code of conduct.</p>	<p><u>Ongoing:</u></p> <p>As a result of the pandemic outbreak, during the course of last year we were not able to make as much progress as we hoped on redrafting the job description and KPIs for buyers.</p> <p>However, the foundations for responsible buying practices that we laid over recent years guided us in navigating the uncertainties these unprecedented times brought, honouring orders and suppliers' payments.</p> <p>This year our work on purchasing practices will extend to include Hobbs and Phase Eight in the ACT Purchasing Practices Self-Assessment ("PPSA"), in collaboration with Carnstone and ASOS, our longstanding industry peer.</p>

Modern Slavery Risk	Definition of Issue	Steps Taken	TFG Brands Commitment	2020-2021 Progress Update
<p>Homeworkers</p>	<p>Homeworking is an important aspect of the world economy, present in a huge range of sectors and countries.</p> <p>Homeworkers themselves form an essential part of the supply chain. Not only do they carry out specialised and intricate work that often cannot be mechanised cost effectively – such as embroidery, beading, finishing and packing – but they also provide much-needed flexibility in production.</p> <p>Despite their value in the supply chain, homeworkers usually have very poor working conditions (low pay, insufficient and irregular work). They can be very vulnerable as their employment status may be unclear, and so they may not receive basic entitlements such as holiday and maternity pay, social security benefits and job security.</p> <p>They are often the main breadwinner for the household, and don't have the opportunity to earn money outside the house.</p> <p>Areas of risk identified are India, as well as Turkey, Spain and Portugal.</p>	<p>We have identified the presence of homeworkers in our supply chains in Turkey, Spain, Portugal and India.</p> <p>As a result, we are working with suppliers and will seek the support of experts on the ground to identify specific locations of homeworkers in our supply chain and help improve their working conditions.</p> <p>This process is strengthening the relationships with suppliers, by developing trust and openness.</p>	<p>We acknowledge that improving labour conditions for homeworkers is a complex issue.</p> <p>Under a revised homeworker policy, we commit to:</p> <ol style="list-style-type: none"> 1. Communicate our position on homeworking throughout our company, to those who supply to us, and those we supply to 2. Ensure the presence of homeworkers in the supply chain will not lead to the relocation of work or cancellation of orders 3. Work with our suppliers for the sustainable improvement of labour conditions within, homeworkers in our supply chains. We will aim to do this by following the guidance set out in the ETI Homeworker Guidelines 4. Explore the opportunity to forge partnerships with local experts in risk regions, starting from India, to seek specialist support in addressing this issue 	<p>On-going:</p> <p>Just before the pandemic outbreak, we were able to conduct further risk assessment in our supply chains, identifying the presence of homeworkers in India.</p> <p>As a result of this, this year we will work alongside the established NGO Homeworkers Worldwide to trial their newly release toolkit with a few of our selected suppliers.</p> <p>We have succeeded in revising our Homeworkers policy and we will take the next step in communicating this to our suppliers and enable them to implement it.</p>

Modern Slavery Risk	Definition of Issue	Steps Taken	TFG Brands Commitment	2020-2021 Progress Update
<p>Workers' Rights Awareness and Social Dialogue</p>	<p>Millions of workers in global supply chains are unaware of their basic rights.</p> <p>Around the world, millions of people work in global supply chains and too many of these workers endure abuses such as poor working conditions, including minimum wage violations; forced overtime; child labour; sexual harassment, exposure to toxic substances and other extreme occupational hazards; and retaliation against workers who attempt to organise.</p> <p>Workers facing these abuses often lack awareness of their human and labour rights and access to complaints mechanisms and whistleblower protections.</p>	<p>With the purpose of capacity building and increasing knowledge and measurability in global supply chains, we have partnered with Quizrr to offer digital training solutions, developed in collaboration with global brands, suppliers, experts and NGOs, to educate workers in our Chinese supply chain.</p> <p>The modules of this digital training include:</p> <ul style="list-style-type: none"> • Rights and Responsibilities • Worker Engagement • Wage Management • Migrant Parenting 	<p>With this three-year scalable capacity building programme, we commit to:</p> <ol style="list-style-type: none"> 1. Improve social dialogue & engagement between workers and management 2. Measurability year-on-year 3. Shared knowledge 4. Secure safe & decent workplaces 5. Enable sustainable change 	<p><u>Ongoing:</u></p> <p>As we launched the programme, the pandemic outbreak and lockdown measures slowed our progress. However, with restrictions lifting, our aim is to onboard all our top 20 supplier facilities during 2021, with the hope to increase uptake in the near future.</p>

Modern Slavery Risk	Definition of Issue	Steps Taken	TFG Brands Commitment	2020-2021 Progress Update
Non-Stock Suppliers	We recognise our responsibility, and opportunity, to embed ethical purchasing practices to include non-stock suppliers of goods and services.	We are mapping and conducting a risk assessment of our top suppliers of goods and services, to include freight handling, distribution, order fulfilment and returns processing.	<p>With the introduction of a harmonised new financial system, we will be able to map, analyse and prioritise the highest risk suppliers according to spend, industry, geography and known ethical risks.</p> <p>We will send them a self-assessment questionnaire to help gather further information on their employment practices and ethical standards.</p> <p>We will develop a roadmap to ensure that our highest risk sites are monitored on a regular basis.</p>	<p><u>Delayed:</u></p> <p>The implementation of our new harmonised financial system is now complete and this year we will begin our mapping commitment, with progress and results included in our next report.</p>

Modern Slavery Risk	Definition of Issue	Steps Taken	TFG Brands Commitment	2020-2021 Progress Update
<p>Maritime Crew Change Crisis</p>	<p>Due to ongoing COVID-19 restrictions, large numbers of seafarers are having to extend their service on board ships after many months at sea, unable to be replaced after long tours of duty or be repatriated via aircraft to their home countries.</p> <p>This is a growing humanitarian and economic crisis affecting over 300,000 forgotten seafarers now stranded on board vessels worldwide who have completed their contractual tour of duty and have been prevented from returning home due to restriction of movement.</p>	<ol style="list-style-type: none"> 1. We made our transport partners aware of the International Maritime Organisation (“IMO”) protocols, in relation to: <ul style="list-style-type: none"> • Protocols for joining a ship (From a seafarer’s place of ordinary residence in one country via aircraft to join a ship in a seaport in another country), and • Protocols for leaving a ship and repatriation (From a ship in a seaport in one country via aircraft to a seafarer’s place of ordinary residence in another country) 2. We requested a detailed map and actions taken to support the IMO protocols that aims to protect seafarers during the pandemic. 3. We approached the International Transport Workers’ Federation (“ITF”) to help us decipher the data outlining our global logistics routes and vessels and verify whether there had been any human rights infringements perpetrated on board of any of the vessels listed on the map. 4. We requested that our shipping agent agree to: <ul style="list-style-type: none"> • Accept the MLC 2006 and cascade it down to its own partners along the supply chain. • Accept the IMO industry recommended Framework of Protocols for ensuring safe ship crew changes and travel during the coronavirus (Covid-19) pandemic. • Liaise exclusively with partners members of ITF in order to retain verifiable data access. 5. We asked ETI to form a member’s working group on this specific issue as well as set up an Expert Support Network (“ESN”) to provide advice and knowledge on human and labour rights in the logistics sector. We also requested that the ESN would work on a tool or framework which could support members in applying due diligence to address the crew change crisis 	<ol style="list-style-type: none"> 1. Roll out the Tool to Support Human Rights Due Diligence for the Maritime Transport and the COVID-19 Crew Change Crisis to our logistics partners and beyond 2. Continue to map our logistics routes as part of our supply chain mapping due diligence. 	<p><u>On-going</u></p>

Modern Slavery Risk	Definition of Issue	Steps Taken	TFG Brands Commitment	2020-2021 Progress Update
<p>Forced Labour in the Xinjiang Uyghurs Autonomous Region ("XUAR")</p>	<p>Millions of Uyghurs and other ethnic-minorities have been detained in re-education camps and forced to work in factories in Xinjiang, as well as transferred to areas outside of Xinjiang under a government-led labour transfer scheme.</p> <p>Mounting evidence has indicated that Uyghurs and other ethnic minorities are being employed under conditions of forced labour in factories supplying international apparel brands and retailers.</p>	<ol style="list-style-type: none"> 1. Accelerated our supply chain mapping to target cotton suppliers with the aim of reaching tier 5, raw materials. 2. Engaged with suppliers to determine origin of cotton and level of risk. 3. Classified all suppliers sourcing cotton in China as high risk and called directly to discuss three main areas. 4. Request that supplier provide mapping from farm, ginner and spinner back to province. 5. Although we hold annual data on factory workers, ensure the factory is not engaged with any labour transfer schemes from Xinjiang. 6. Determined the supplier's current commitment if they were sourcing from Xinjiang. 7. Implemented a policy banning Xinjiang cotton and if the supplier was sourcing from Xinjiang, they planned a gradual exit. 8. Suppliers signed a declaration confirming that they have not found any evidence, nor hold any suspicion, of involvement of exploited XUAR workers within their supply chains. 9. Signed the Call to Action to end Forced Labour in the XUAR. 	<ol style="list-style-type: none"> 1. Published a report on our findings and actions, that can be read here. 2. Work towards our commitments to the Call to Action 3. Partner with Anti Slavery International to seek expert advice. 	<p><u>On-going</u></p>

Case Study: TFG Brands responds to the Crew Change Humanitarian Crisis during the COVID-19 pandemic

Presented with the facts, we felt compelled to act. The issue was presented to the Board of Directors and the CSR and Sustainability team were given the green light to start an immediate investigation. A challenge we faced was that this was a segment of our global supply chain we were not so familiar with. Our main focus had always been merchandise suppliers and manufacturers through to raw material sourcing. Our logistics partners and the route of our vessels were not part of this map.

Step One: The first step we took was to reach out to our transport partners to make them aware of the IMO protocols, in relation to:

- Protocols for joining a ship (from a seafarer's place of ordinary residence in one country via aircraft to join a ship in a seaport in another country), and
- Protocols for leaving a ship and repatriation (from a ship in a seaport in one country via aircraft to a seafarer's place of ordinary residence in another country)

Step Two: We requested that they provide a detailed map of our logistics network and asked them what actions they were taking to support the IMO protocols that aims to protect seafarers during the pandemic.

Step Three: Our shipping agent came back with a map outlining our global logistics routes and vessels from 1st January 2020 to 1st June 2020. We approached the International Transport Workers' Federation ("ITF") to help us decipher the data and verify whether within this timeframe there had been any human rights infringements perpetrated on board of any of the vessels listed on the map. ITF compared our data with their own records and found that at least 5 vessels used by our company were roaming the ocean with no ITF agreements.



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Step Four: Presented with the data, we felt powerless to act, as we did not have any meaningful tools or leverage to respond to this crisis. We did not know, for instance, whether those vessels were transporting cargo owned by organisations with whom we had existing relationships or industry peers, to forge a collaborative approach to this issue. We were also lacking tripartite support in the form of NGOs or expert bodies who could meaningfully support advocacy.

We subsequently requested that our shipping agent agree to:

- Accept the MLC 2006 and cascade it down to its own partners along the supply chain
- Accept the IMO Industry Recommended Framework Of Protocols For Ensuring Safe Ship Crew Changes And Travel During The Coronavirus (Covid-19) Pandemic
- Liaise exclusively with partner members of ITF in order to retain verifiable data access

Step Five: We approached ETI to ask whether they could establish a member's working group on this specific issue as well as set up an Expert Support Network ("ESN") aimed at providing a space for the exchange of expert advice and knowledge on human and labour rights in the logistics sector of MSI member supply chains. Finally, we requested that the ESN would start working on a tool or framework which could support members in applying due diligence to address the crew change crisis.

Our case study can be found in the United Nation Global Compact document titled 'Maritime Human Rights Risks and The Covid-19 Crew Change Crisis a Tool to Support Human Rights Due Diligence', published in April 2021 and for which TFG Brands provided comments and advice in the preparation of the tool.

Quote from Captain Hedi Marzougui, in command of a vessel between December 2019 and May 2020, appealed to Governments to act to allow seafarers to come home

"Not knowing when or if we will be returning home brings a severe mental toll on my crew and myself," Captain Marzougui said. "I would encourage each and every one of you to think of how you would feel, if you had to work every day, for 12 hours, with no weekends, without seeing your loved ones, and trapped at sea. Now add that you have to do that with no idea of when you will be repatriated."

Next steps

The Modern Slavery Act has been an opportunity to embed a greater understanding of human rights within our product supply chain and to extend the awareness of the issue internally across departments. All our Heads of Departments are continuously briefed and engage in regular discussions on human rights and modern slavery through our Modern Slavery working group. We brought on board our distribution centre to be part of the wider discussion.

We have developed a comprehensive training programme for Buying and Merchandising teams designed to improve our purchasing practices, and we will extend this to include the whole group. The training covered cost prices, models and negotiation, production lead times and manufacturing processes, forecasting process, and ethical and sustainable policies. Whilst we hoped to have developed a programme of factory visits for all buyers and merchandisers to enable them to better understand production processes, the pandemic has affected our ability to travel for most of 2020 and will continue to affect this for some months to come.

Last year we launched the TFG London Sustainability Strategy 2025, which incorporates modern slavery and related topics in its Supply Chain and Communities pillar. As part of the entrenching phase of the strategy we are working to set measurable targets related to each area of influence and we will be able to share progress in due course.

We commit to collaborate further with industry peers, NGOs, trade unions and through our multi-stakeholder dialogue to address issues that are at the root cause of contemporary slavery and human rights breaches. Moving forward we will extend the breadth and depth of our approach to include non-stock suppliers and third-party brands, and risk assessment of other sourcing regions. Our aim is to further strengthen and promote our core values of fairness, integrity, transparency and collaboration, and as such we will be updating this statement annually.

This Modern Slavery Statement was prepared by the TFG Brands CSR and Sustainability team and approved by TFG Brands Board of Directors on 6th May 2020.



Justin Hampshire, Managing Director,
on behalf of TFG Brands (London) Limited Board of Directors.

This statement is made pursuant to Section 54 of the Modern Slavery Act 2015. It sets out the steps TFG London has taken during the 2020/2021 financial year (the "Year") to prevent slavery and human trafficking from taking place in our supply chains or in any part of our business, and the additional steps we plan to take in 2021 and 2022.

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