

MODERN SLAVERY ACT STATEMENT 2018-2019

This statement has been published in accordance with the UK Modern Slavery Act (2015). It outlines the measures BESTSELLER A/S (herein after referred to as BESTSELLER) has taken to address modern slavery and human trafficking within our business and supply chain during the financial year 2018-2019.

ORGANIZATION STRUCTURE AND SUPPLY CHAIN

BESTSELLER is an international, family-owned fashion company with a range of more than 20 individual fashion brands, BESTSELLER provides fashion clothing and accessories for women, men, teenagers and children. Products are marketed and sold under a variety of brands such as JACK & JONES, JUNAROSE, JACQUELINE DE YONG, MAMALICIOUS, NAME IT, NOISY MAY, OBJECT COLLECTORS ITEM, ONLY, ONLY & SONS, PIECES, SELECTED, VERO MODA, VILA CLOTHES and Y.A.S.

BESTSELLER has its headquarters in Denmark and its operations in the UK are carried out through BESTSELLER WHOLESALE UK Ltd and BESTSELLER Retail UK Ltd.

BESTSELLER brands and products are available online and in approximately 2,750 branded chain stores, 15,000 multi-brand and in department stores across Europe, The Middle East, North America, Latin America, Australia and India. BESTSELLER has no ownership interests in the production chain but cooperates with selected suppliers primarily in China, India, Bangladesh, Turkey and Italy. BESTSELLER is 100% owned by the Holch Povlsen family with Anders Holch Povlsen as CEO. BESTSELLER has more than 17,000 dedicated BESTSELLER colleagues around the world, and cultural differences are considered an advantage promoting quality, good results and strong values.

Launched in December 2018, BESTSELLER's new sustainability strategy – Fashion FWD has the ultimate ambition to bring Fashion FWD until we are climate positive, fair for all and circular by design. We believe in acting responsibly as a business and to promote a decent workplace for people who grow raw materials or produce consumer goods.

BESTSELLER does not own any factories. As of 31st December, 2019, we are working with 444 suppliers and 755 factories in 25 countries, primary in Asia and Europe. We have sourcing offices in five main production countries and more than 50 employees globally working with sustainability and sustainable sourcing..

BESTSELLER continues to create more transparency in our supply chain to prevent, mitigate and address risks and to promote positive change. We publish an updated version of all our on-boarded Tier 1 manufacturing factories (Cut-Make-Trim) of apparel, footwear and accessories twice a year, including their name, address, product type and number of workers. Review our most updated factory list [here](#).

POLICIES IN RELATION TO SLAVERY AND HUMAN TRAFFICKING

BESTSELLER does not tolerate any form of modern slavery or human trafficking in any parts of our business or in the partners that we work with. Our Code of Conduct serves as the overarching framework to the behaviour and conduct we hold and expect from our colleagues, customers, suppliers and partners and it is underpinned by several other policies that help mitigate against the risk of modern slavery:

- Our [Human Rights Policy](#) is informed by key UN conventions such as the International Bill of Human Rights, the International Labour Organization's (ILO) Declaration on Fundamental Principles and Rights at Work and the United Nations Guiding Principles on Business and Human Rights (UNGPs).
- Our [Illegal Workers Policy](#) outlines the general procedure for handling illegal workers (and refugee workers in Turkey) to ensure workers' rights are legally protected, including not tolerating and accepting of any kind of forced or prison labour.
- Our [Child Labour Policy](#) outlines our commitment to preventing child labour and the procedure for handling child labour should that be found.
- Our [Homeworking Policy](#) outlines our commitment to providing legal contracts and decent working conditions to homeworkers.

In our Code of Conduct and supporting policies addressing human rights, we require our suppliers and their sub-suppliers to respect human rights and labour rights.

RISK ASSESSMENT AND DUE DILIGENCE PROCESS

All of our Tier 1 factories are also assessed based on our Code of Conduct (our minimum requirements) by our local teams (in countries where we have local teams. Other countries are covered by 3rd party assessors) in the on-boarding process on all social and labour topics, including Health and Safety, Fire Safety, Minimum Wages, Child labour and Human Rights. All Tier 1 factories must be approved by BESTSELLER within our minimum requirements before they are approved for production for BESTSELLER. In addition, BESTSELLER also conducts its own as well as third-party assessments to ensure violations to our policies are addressed in a prompt manner.

Furthermore, BESTSELLER's Social Engagement Programme engages with our suppliers and factories to continuously maintain a healthy dialogue and support capacity building and improvements. Through the Social Engagement Programme, global implementation programmes are led by local teams to support our key suppliers in the implementation of systems and structures to promoting better working conditions and workers' rights in factories.

In December 2019 BESTSELLER committed to the SMART Textile & Garment programme in Myanmar – a sustainability training and capacity building programme focussing on strengthening sustainability in the Myanmar textile & garment industry in general as well as in specific factories. The project focusses on social and labour issues connected to labour and human rights, and it also targets capacity building in environmental management and sustainable resource use.

As a fashion company, we are continuing our focus in the supply chain section of our business, as we find that this is the part of the value chain with the highest risks of human rights violations. Further, we continue to find that freedom of association, forced labour, discrimination and child labour to be the most relevant issues that are affecting our supply chain.

In 2019, we have identified the North West region of China to be a high-risk area for forced labour due to the focus on the Xinjiang re-education camps in China that are operated by the Xinjiang Uyghur Autonomous Regional government and how it is linked to the cotton produced in Xinjiang in the textile supply chain. The potential linkage was made by reports from civil society organisations and media due to the accusations of such involuntary labour from ethnoreligious minorities (including Uighurs) during or following internment in "re-education camps" in the Xinjiang province of Western China being used on Better Cotton Initiative (BCI) licensed farms in Xinjiang. BESTSELLER has been looking deeply into this topic and into our supply chain. Together with BCI, BESTSELLER is

further working to monitor and address any risks arise that violate any aspect of human rights. Protecting the human rights of those who are working to produce our garments, product traceability and having a robust due diligence process are all extremely important for BESTSELLER. We want to be sourcing more sustainable cotton in a way that not only reduces the negative impact to the environment but enables the people who are working to provide our cotton to thrive.

At BESTSELLER, we work to have an honest and open dialogue with our suppliers to drive the sustainable development agenda forward. The topic of human rights is embedded throughout all parts of our business. While we are playing our part in ensuring human rights are upheld in our business operations, we understand that we have our limitations as an individual company. As such, BESTSELLER is in close collaborations with third parties to help us further prevent and ensure the proper handling of modern slavery instances.

BESTSELLER is a member of a signatory to and partnered with various industry-wide organisations and initiatives, including Sustainable Apparel Coalition (SAC)'s Social and Labour Convergence Project (SLCP) – working to provide an industry-wide framework to assess social and labour conditions, Ethical Trade Initiative (ETI) – working with trade unions and NGOs to improve the lives of workers, Action Collaboration Transformation (ACT) – lifting the structural barriers to living wages in the garment sector, Bangladesh Accord on Fire and Building Safety (the Accord) – working to build a safe and healthy Bangladeshi Ready Made Garment (RMG) industry and the Better Cotton Initiative (BCI) – improving global sustainable farming practices of cotton farmers.

EFFECTIVENESS OF STEPS BEING TAKEN

BESTSELLER promotes a non-discriminating workplace and embeds human rights across all parts of our business. As such, all colleagues of BESTSELLER have the opportunity to confidently raise concerns about potential breaches of our Code of Conduct or violations to laws and regulations in a given country. Colleagues of BESTSELLER can also raise matters to their local PEOPLE department, where the matter will be handled by the local PEOPLE responsible. Alternatively, we also have an anonymous whistleblower system in place where colleagues at BESTSELLER can report potential / possible violations to human rights and modern slavery issues raised anonymously.

We have a zero tolerance policy on human rights violations. A few examples include our zero tolerance on wages paid below minimum wage and occurrences of child labour. If cases of wages being paid below minimum wage is found, we work actively with our suppliers to ensure the proper wages are paid, and to work with the suppliers towards wages being paid at least to a minimum wage level. In addition, a concern we have is that sometimes, we find that age documentation systems in factories are insufficient. In that case, we work actively with our suppliers to ensure there is correct age verification documentation of all workers.

This year, we have also become a Catalyst Member and have entered into a partnership with BSR HERproject™. BSR's HERproject™ is a collaborative initiative that strives to empower low-income women working in global supply chains. Through its HERhealth™ and HERfinance™ programs, women become educated on health issues and financial management topics. The HERrespect program further focuses on addressing the root causes of violent and sexual harassments against women that occur in the workplace.

TRAINING ON MODERN SLAVERY AND TRAFFICKING

BESTSELLER provides trainings and seminars on issues that lie within the term modern slavery, including but not excluding child labour, child slavery, forced labour, failure to meet minimum wage requirement. Trainings are given

to both newly on-boarded factories as well as to factories on a routine basis. Many of the trainings are given together to both factories and suppliers.

THIS STATEMENT COVERS THE FINANCIAL YEAR OF 2018-2019 AND HAS BEEN APPROVED BY THE EXECUTIVE TEAM OF BESTSELLER A/S.

For and on behalf of BESTSELLER

Anders Holch Povlsen
Chief Executive officer
BESTSELLER A/S