

**The Regatta Group of Companies
(Regatta Great Outdoors, Craghoppers, D2B,
Hawkshead, Risol Ltd and Countryside Trading Ltd)
MODERN SLAVERY STATEMENT 2017/18**

This statement has been published in accordance with the Modern Slavery Act 2015. It sets out the policies and action taken by The Regatta Group of Companies - Regatta Great Outdoors, D2B, Craghoppers, Hawkshead and Countryside Trading Ltd, during year ending January 2018, to prevent modern slavery and human trafficking in its business and supply chain.

The Regatta Group published its first Modern Slavery statement in July 2017. In the past year we have continued to increase the depth and breadth of our work on Modern Slavery, deepening our understanding of any potential risks, and ensuring we have in place the most effective responses.

Our commitment has always been very clear that we care and will treat people in our business and supply chain fairly with honesty, courtesy and respect.

Within the Regatta Group of Companies, there are 1908 employees worldwide operating in 86 countries, with 45 UK stores and 34 International stores. We work with 165 nominated product suppliers and 150 providers of non-merchandise goods and services which includes equipment for new stores, rectification, cleaning, security and warehouse staff.

Introduction

Slavery, forced labour and human trafficking remains a hidden blight in our society, especially considering the rapid rise in global migration. No sector or industry can be considered immune. We have a zero tolerance approach to Modern Slavery of any kind within our operations and supply chain. We all have a responsibility to be alert to the risks, however small, in our business and in our wider supply chain.

We expect our staff to report concerns, using the appropriate reporting channels and management is expected to act upon them. We are committed to ensuring that no slavery or human trafficking exists in our supply chain partners.

Our Business

Regatta Great Outdoors, Craghoppers and D2B are global brands with multi-channel distribution of outdoor, sports and travel clothing, footwear and equipment. We sell our products through thousands of stores and on line both in the UK and internationally. The Group has a turnover of £246 million.

We are proud that in 2017, The Regatta Group won the Judges award top prize at the Manchester Evening News Business of the year award in recognition of employee engagements & comprehensive value systems throughout our business and supply chain.

Responsible Sourcing

As a company, we take our responsibilities very seriously. The Honesty Project is our Ethical and Environmental programme which underpins everything we do. It focuses us on creating fantastic product, thoughtfully engineered for the great outdoors, and in doing so, to enhance the lives of those touched by our business. We closely monitor our product supply chain.

We have a long standing approach to the elimination of Modern Slavery in our product supply chain, reflected in our policies and controls on ethical trading. Policies are developed by external experts and are signed off by Directors of the Group.

Ethical Trading has always been a cornerstone within our business. Championed by our owner and Board Director Joanne Black, it runs through the core of the business because we wholly believe that making good quality clothing, footwear, accessories and equipment should not come at the expense of others.

Since 1998, our product suppliers have been following the SA8000 principles. The SA8000® Standard is a leading social certification standard for factories and organizations across the globe.

We joined Ethical Trading Initiative (ETI) in 2012. The ETI brings together brands, retailers, suppliers, unions and voluntary organisations to improve conditions for workers. Since May 2017, we have maintained "Achiever" level by ETI standards, highlighting our progress on the ETI landscape. This reflects the amazing work we are doing in our factories.

As ETI members, we are committed to following the ETI base code throughout our supplier base. The ETI Base Code (see link) is founded on the conventions of the International Labour Organisation (ILO) and is an internationally recognized code of labour practice.

<http://www.ethicaltrade.org/resources/eti-base-code>

Our suppliers are required to:

- participate in ethical trading audits assessments which are carried out by our own highly qualified in house teams or by an internationally accredited 3rd party auditors
- provide employees with good working conditions, fair treatment and reasonable rates of pay
- respect workers human rights and comply fully with all applicable laws

The above policies also require that:

- all work must be voluntary and not undertaken with any threat of penalties or sanctions

- clear written employment contracts are provided in line with local laws
- workers must not pay any deposits for work
- employers and recruiters must not keep original copies of identity documents
- forced or imprisoned labour is prohibited and workers must be free to leave work at any time, with all salary owed, to be paid
- workers rights for freedom of association and collective bargaining are respected. We are proud to report that 98% of our suppliers' partners have formed some form of workers representation, including trading unions in nearly 20% of the factories. This gives voice to the workers in our supply chain and access to grievance mechanisms that meet the UNGP criteria. Over 40,000 workers in our supply chain are represented by a workers committee or trade union.

In the past two years, we have increased our focus on Modern slavery within our wider business operations and the supply chains of our goods not for re-sale and services.

Following work with external experts in 2017, we review our Terms and Conditions for the Goods Not for Re-sale Sector in light of the introduction of the Modern Slavery Act 2015. This review considered the overall inclusion of our existing Ethical trading practices within the GNFR supply chain, as they are directly linked with the requirements of the Modern Slavery Act 2015 in terms of forced and bonded labour practices.

As a result, we have mapped out not only the product supply chains, but also our GNFR and services suppliers to assess particular industry/sector and geographical risks. These assessments cover the entire scope of our business, encompassing Retail Operations, Property, Logistics, HR and IT. We carried out a successful trial in 2017 of sending out questionnaires to the top suppliers with regards to their own policy and training, trading relationships, recruitment, employees working conditions, wages. Upon completion and review of the initial replies, in 2018 we are rolling out the questionnaires to the rest of the GNFR suppliers and services.

The Group's internal policies include our Code of Conduct where we confirm that we will not tolerate or condone abuse of human rights within any part of our business or supply chains and will take very seriously any allegations that human rights are not properly respected. We also operate a Whistle blowing policy, which encourages staff to report any wrongdoing, including human rights violations like Modern Slavery. All reports will be fully investigated and appropriate remedial action taken.

Due diligence and audits of suppliers and supply chain

We understand that our biggest exposure to Modern Slavery is within our product supply chains and so we have taken important steps over the last decade to minimize this risk.

We are raising our game every year; continuously improving the way we source our garments so that workers benefit. We are helping our suppliers to

be better employers and bench marking our procedures within our supplier base with the most forward looking companies in the UK and Europe. We have learnt a lot and we are grateful to our partners who have worked with us over the years.

We have worked hard to develop better internal systems to analyse our factory inspections. We have developed more rigorous reports and we carry out regular training sessions for internal staff and with key suppliers.

We work with many partner factories all over the world, but before we consider working with a supplier, we ensure that they are as passionate about what they do, as we are and that they follow the same work ethics as we do.

We carry out open face-to-face meetings which are followed up by letters of commitment, stating the ETI Base code, which all suppliers have to sign. These clearly outline the standards that we expect from all of our suppliers.

Following that, we carry out an in-house visual factory evaluation, focusing on critical health and safety points, such as fire safety, cleanliness, safety in the working environment, availability of clean drinking water and first aid supplies as well as any indication of child labour.

In addition to our own visual factory evaluation, we progress to a 3rd party audit. This is done to verify our initial findings and to gain an in-depth understanding of each factory's compliance level; examining records on workers IDs, child labour, wages and working hours, fire and building certificates, internal health and safety procedures and training of workers.

Employee interviews are included on a one-to-one and group basis to cross reference information and give the workers a voice, especially under the heading "employment is freely chosen". The factory is then provided with the audit report and corrective action plan, which they must work to complete within agreed deadlines. This is closely monitored by our own dedicated teams in China and Bangladesh.

All these internal and 3rd party audits are, amongst other things, intended to identify any Modern Slavery practices. If issues are identified, appropriate investigative and remedial actions are taken by working with 3rd party experts/auditors on the ground, conducting detailed follow up visits.

We are extending our work on Modern slavery into the whole breadth of our sourcing and operation. Until 2017, the focus of our investigations were mainly our first tier suppliers – i.e. the factories producing our garments, footwear and equipment. In the last year we have expanded our auditing system to our second-tier suppliers- the suppliers of fabrics and accessories materials.

Training in the prevention of Modern Slavery

- In the past year letters from the Board of Directors were sent to suppliers across all areas of the business to raise awareness of the Modern Slavery Act and Human Rights. The letters affirm our zero tolerance approach to the abuse of human rights and encourages suppliers to establish their own risk assessment processes and informs them that we will continue with regular visits and inspection to check their compliance with our standards.
- We continued the ongoing supplier engagement and awareness raising through the use of newsletters and supplier one to one meetings.
- We have used training to upskill our product suppliers on the implementation of relevant policies in our regular supplier training workshops and webinars.
- We have also trained key staff in the UK and Asia in the Modern Slavery Act and Human Rights via workshops through ETI UK and in Hong Kong, and also through an expert 3rd party consultant.

Social Impact Programmes

We continue our cooperation with NGOs and 3rd party experts on the ground to help us interact directly with the workers in the product supply chain via our Regatta Health and Education Programme (RHEP). Our RHEP project teaches female health, hygiene and nutrition. Until now we will have trained over 10,000 workers, who in turn will teach their neighbours and friends, through a system of peer educators; teaching workers to be health educators who then cascade their learning.

We have also been funding a primary school in our garment factory area for over 11 years, with 262 disabled and disadvantaged children, aged from 4 to 14. In the beginning of 2018 we completed a considerable refurbishment of the school. We are also reviewing the curriculum with the help of an external expert and we plan to introduce a numeracy and literacy booster schemes. The school forms a safe environment for education and prepares the older students in the working environment ahead of them. There is also set to be a programme to help educate the parents.

Further steps to prevent Modern Slavery in our supply chain

- We will continue to increase our transparency on human rights and modern slavery and update the general public via the Honesty project, which is our Group's Ethical and Environmental programme, published on all brands websites. For the second year, we published an online map with the location of our first and second tier product suppliers.
- Recognising the extremely complex nature of Modern Slavery, we continue to emphasise the importance of collaboration with others. In the past two years, we have been involved in a number of projects through our ETI membership – The ILO SCORE Project in China, SMART MYANMAR in Myanmar and the Social dialogue programme in Bangladesh. These programs aim to improve H&S, HR, recruitment and management systems in the factories as well as encouraging free

election and the establishment of workers' committees - to give the workers a voice.

- We have joined Greater Manchester Modern Slavery Business Network. The Network provides an opportunity for businesses based in or with a connection to the region to work together and support each other in tackling modern slavery. It is a great opportunity for representatives from a wide range of businesses and sectors to hear about some of the good work that is going on in the region, as well as sharing some of the challenges businesses face in tackling this horrific crime.
- We will continue our collaboration with other brands in the outdoor industry within Europe and UK, via our memberships in the European Outdoor Group (EOG) and Outdoor Industry Association (OIA).
- We will continue to extend and roll out our questionnaire to the wider supply chain of providers of GNFR and services with regards to their own policy and training, trading relationships, recruitment, employees working conditions, wages. We will analyze the outcome and carry out risk assessments to identify and up skill our high risk suppliers, whilst assessing their ability to detect and mitigate modern slavery risk in the supply chains.
- Also as a supplier ourselves, we continue to offer support and collaborate with our customers in completing their own risk assessments by being open and transparent about our business practices and policies as well as these of our supply chain partners.
- We will extend the training in the Modern Slavery Act and Human Rights by external experts to the wider business, including the Board of Directors and all managers involved in recruitment.

This statement was approved by the Board of Directors of The Regatta Group of Companies - Regatta Great Outdoors, Craghoppers, D2B, Hawkshead, Risol Ltd and Countryside Trading Ltd on the 9th July 2018.

Signed,



Joanne Black

Director/Owner

March 2019