

Subject: Invitation to respond – Pentland Brands in our COVID-19 tracker

In the 12-month period directly before the COVID-19 outbreak:

Please answer all questions and provide YES, NO or numerical answers where requested. We also welcome additional information and context.

1. What are the maximum number of days from invoice date within which you pay your suppliers (e.g. 30, 60, 90, 180 days)? **As a business we operate a 30 days payment term where possible**
2. When is payment for orders typically made (i.e. after shipping, upon receipt of goods, partial payment in advance of production, etc.)?
3. In this period, have you asked suppliers for a discount after placing an order? **Y/N**
 - a. If yes, what percentage of FOB was the discount (if varying, please list all percentages)?
4. Do your contracts have clauses for financial penalties:
 - a. For suppliers for contract non-compliance (e.g. for late delivery, wrong specs etc.)? **Y/N**
 - b. For you (the buyer) to be held financially liable (in the form of a payment premium or otherwise) for changes in orders after a PO has been raised (order volume, order specs, order deadline etc.)? **Y/N**

In the period since the COVID-19 outbreak:

Please answer all questions and provide YES, NO or numerical answers where requested. We also welcome additional information and context.

5. Have you committed to pay in full for:
 - a. All completed orders? **Y/N Yes**
 - b. All in-production orders? **Y/N We have been working with vendors on a case by case basis and rephasing of orders and looking to mitigate impact. In some cases our suppliers have switched to producing PPE/Covid 19 related goods.**
6. Have you extended your usual payment times? **Y/N Y we have extended payment terms on a case by case basis but where we have extended payment terms we have aimed for a maximum of 90 days.**
 - a. If yes, what are current payment terms (in days, e.g. 90, 180, 230 etc.)?
 - b. Are you supporting suppliers with access to local finance with a letter of credit or through other means? **Y/N Where appropriate we are working on a case by case basis to support access to emergency funds/financing**
7. Have you requested a discount for any orders? **Y/N**

- a. If yes what, percentage of FOB (if varying, please list all percentages)?
 - b.
8. Have you taken any other steps (outside of order payment) to ensure workers in your supply chain have been paid wages for March and April, or will be paid wages or otherwise provided for during periods of lockdown? **Y/N We have been in contact with all vendors and are working through this on a case by case basis. Due to location of our sourcing countries, Covid impact was earlier in year.**
9. Where production is ongoing, have you taken steps to ensure suppliers are implementing measures to protect garment workers from infection (i.e. social distancing, sanitising practices, providing adequate protective equipment)? **Y/N We are sharing best practice and industry guidance where appropriate.**
10. Are you paying shareholder dividends? **Y/N or N/A for companies without public shareholders**
N/A
11. Please add any additional comments (optional): **We thanks business human rights for bringing these important subjects to attention. Due to the complexity of the issues raised we are dealing with covid on a case by case basis working closely with our vendors. More information about our response is available in our statement on our website <https://pentlandbrands.com/wp-content/uploads/2020/05/COVID-19-corporate-responsibility-update-from-Pentland-Brands-2.pdf>**