

# Superdry's Approach to Human Rights

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Superdry's approach to human rights is based on the UN Guiding Principles on Business and Human Rights, and the recognition that while states have a duty to protect human rights, companies have a responsibility to respect them and where there are breaches, to remedy. We recognise, as ETI members, that endemic risks exist through garment supply chains. These risks align with the core areas listed in our Code of Practice.

We continue to assess on a country and industry level to identify salient human rights risks. Where identified, either through our own due diligence, or wider reports we identify appropriate additional due diligence, mitigating actions and remedy mechanisms to address them. The below are listed as salient human rights risks identified to date, alongside our response to these risks. For each of the issues listed in this document, further due diligence is in place (in addition to scheduled ethical audits) and where evidence is provided in the form of whistleblowing, calls with local partners (NGOs, auditors) or increased risk indication we will utilise offsite and unannounced investigations to understand the issue further.

Results from the investigation, mitigation and remedial actions are overseen by the Head of Sourcing, Ethical and Sustainability who in turn reports to the Chief Operating Officer (COO) with additional regular reporting lines to the Board and Audit Committee on a bi-annual basis. Remedy is managed locally by our dedicated ethical functions, with oversight from the Head of Sourcing, Ethical and Sustainability and relevant escalation routes to ensure it is effective and sustainable. Where there is a need for increased leverage, Superdry may collaborate with other likeminded brands, or with organisations such as ETI.

We will terminate business through a responsible exit policy with any factories that fail to co-operate in investigation or remedy of any of the below issues.

ENDEMIC RISK	ILO CONV. / SDG ALIGNMENT	SALIENT RISK	POLICY	APPLICATION
<p><b>FORCED LABOUR/ MODERN SLAVERY</b></p> <p><i>The recruitment, movement, harbouring or receiving of children, women, or men using force, coercion, abuse of vulnerability, deception, or other means for the purpose of exploitation.</i></p>	<p>29, 105, 97 / 8</p>	<p>18% of workers in our global supply chain are domestic or international migrant workers (99% are domestic, predominantly China, India and Turkey).</p> <p>Both groups of workers present risks associated with forced labour due to the absence of global, regional, or even bilateral policy agreements on the global movement of labour between countries of origin, transit, and employment creates governance gaps that leave migrant workers vulnerable to human rights abuse (Source: <a href="#">Dhaka Principles</a>)</p> <p>Particularly vulnerable situation appears for migrant workers, often recruited through</p>	<p>Modern Slavery Policy</p> <p>Migrant Worker Policy</p> <p>Code of Practice</p>	<p>Superdry takes appropriate human rights due diligence via our migrant worker assessment to assess compliance to our migrant worker policy.</p> <p>This assessment is conducted in any factory with a significant proportion of domestic or international migrant workers.</p> <p>A detected breach represents a critical/zero tolerance issue which requires immediate action, if identified all orders are held until remedy is established.</p> <p><b>Domestic migrant workers</b> - To ensure appropriate due diligence we include dormitories in scope of assessment even if not directly owned by factories.</p> <p>We also undertake detailed training in 100% of these factories to ensure grievance systems account for various language capacities.</p> <p>All factories in Southern India - where we have detected a significant proportion of domestic migrant workers - are enrolled in our Respect programme which has</p>

		<p>labour agencies either from abroad or interstate.</p> <p>Indicators of exploitation among migrants vary, but can include unreasonable fees leading to debt bondage, physical and sexual violence, threats against employees and their families, wage withholding, restrictions in freedom of movement, and retention of personal documents (Source: <a href="#">Dhaka Principles</a>, historic due diligence).</p>		<p>been tailored to accommodate for factories employing migrant workers – including representation for these migrants on any committees. We will be piloting our Respect programme in China in 2024.</p> <p><b>International migration</b> - We completed migrant worker assessments in Mauritius (destination) and Bangladesh (source) to investigate use of recruitment fees paid by workers following an alert from Ethical Trading Initiative (ETI) membership.</p> <p>We detected use of recruitment fees in the source country and agreed remedy with one factory in line with our migrant worker policy. Our second factory used refused to engage and was since exited.</p> <p>We exited Mauritius altogether in 2017 as we detected further informal fee risk outside of control of the factory and deemed this risk too great to warrant our quantities in this region.</p>
<p><b>DISCRIMINATION, VIOLENCE AND HARASSMENT</b></p> <p><i>Unfair or humiliating treatment on the grounds of gender, sexual orientation, race, colour, age, pregnancy, marital or social status, religion, political opinion, nationality, ethnic origin, disease, or disability.</i></p>	100,111, 159 / 4, 5, 8, 10	<p>52% of workers in our global supply chain are female workers.</p> <p>Regions with documented risk of discrimination, gender-based violence and harassment include the North and South of India, and Turkey. This has been detected via public reports including the Sisters for Change report (2016) on <a href="#">Eliminating Violence Against Women at Work</a>.</p>	Code of Practice	<p>Critical/zero tolerance issue which requires immediate action, if identified all orders are held until remedy is established.</p> <p>Our ambition is for 100% of our factories to be proactively engaged in gender/worker empowerment practices by 2030 (our "Respect Programme"). The programme has initially focused on India thus far due to the increased risk in this territory, reaching 64% of workers in our Indian supply base.</p> <p>Factories enrolled in "Respect" are required to access worker hotline/strengthened complaints process and receive training on the prevention of workplace and sexual harassment. Our partners in the region "Inoculation Hub" have supported factories that have detected risks to strengthen mechanisms within factories in terms of awareness raising as well as ensuring language capacity for Prevention of Sexual Harassment (POSH) committees where there are a large percentage of migrant workers employed.</p> <p>This programme has been extended to Turkey in January 2022, covering 5% of workers in this region.</p>
<p><b>CHILD LABOR / YOUNG WORKERS</b></p> <p><i>Work that deprives children of their childhood, their potential, and their dignity, and that is harmful to physical and mental development.</i></p> <p><i>Work that is mentally, physically, socially, or morally dangerous and</i></p>	138, 182, United Nations Convention on the Rights of the Child, The Children's Rights and	<p>Key source territories including India and China operate schooling systems where basic education completes at 14 and 15 respectively.</p> <p>Risk of child labour increases where there is a gap between this age and the legal age of work in factory settings as well as where</p>	Code of Practice  Child Labour Principles	<p>Child Labour is a critical/zero tolerance issue which requires immediate action, if identified all orders are held until remedy is established.</p> <p>We work closely with our factories to ensure they have strong recruitment and age verification processes in place to prevent any risk of child labour being recruited mistakenly.</p>

<p><i>harmful to children; and interferes with their schooling by depriving them of the opportunity to attend school; obliging them to leave school prematurely; or requiring them to attempt to combine school attendance with excessively long and heavy work.</i></p>	<p>Business Principles ILO Convention 138, Article 3 / 4</p>	<p>there is documented limited attendance and high poverty levels including India.</p>		<p>Our local offices complete regular unannounced visits to factories to ensure that conditions are maintained between scheduled audits, this includes smaller subcontracted (Tier 2,3) units which are higher risk.</p> <p>If legally allowed workers over the legal age of work and under 18 years old can work, ineffective protections jeopardising their Health and Safety is classified as a severe issue requiring urgent remedy.</p> <p>Where factories utilise young workers (between 16 and 18 years old) or employ workers through internship schemes they are required to demonstrate compliance to our Code or Practice or local labour law, whichever affords the greater protection.</p> <p>If identified, remedy for the child is established in line with our <a href="#">Child Labour principles</a>.</p>
<p><b>FREEDOM OF ASSOCIATION &amp; COLLECTIVE BARGAINING</b></p> <p><i>A person's right to join, and/or form, organizations of his/her own choosing and to bargain collectively</i></p>	<p>87, 98, 135, 154. / 8, 10</p>	<p>Source countries including India, Turkey, China and Sri Lanka have documented cases of violations of rights to associate freely, or do not guarantee rights for workers in this area (Source: <a href="#">ITUC Global Rights Index</a>).</p>	<p>Code of Practice</p>	<p>If identified this issue is classified as critical/severe which requires immediate action and continuous improvement to support remedy. We are actively tracking this through our supply chain and working with factories to enable constructive worker management dialogue.</p> <p>Where factories have trade unions, we monitor their ability to collectively bargain and associate freely through our local offices. Ethical audits include interviews with trade union office bearers. In cases of noncompliance, we will work with management and impacted stakeholders to remedy sustainably.</p> <p>Where factories do not have trade unions, we focus on ensuring that committee structures are in place to best represent workers, supported by effective grievance mechanisms which enable all workers to raise their voices.</p> <p>This principle remains a key component of our Respect Programme.</p>
<p><b>FAIR LIVING WAGE, SOCIAL SECURITY, WORKING HOURS</b></p> <p><i>Living wage: A wage level covering workers' and their families' basic needs and provides some discretionary income.</i></p> <p><i>Social security: Predictable and recognized employment is a pre-condition to get access to health care and income security, particularly in cases of old age,</i></p>	<p>95,131 122, 158 and 175 001, 014, 106 and 030 / 8, 10</p>	<p>Our Tier 1 suppliers employ over 59,000 workers in our supply chain, and while these workers are not directly employed by Superdry our business relationship can impact their ability to earn a fair living wage, with social security without needing to work excessive working hours.</p> <p>Stability in our relationship, transparent pricing, and forecasting our orders means suppliers can plan, and be best placed to ensure workers have optimal wage packages.</p>	<p>Code of Practice  Fair Living Wage Policy</p>	<p>If identified this issue is classified as severe which requires immediate action and continuous improvement to support remedy. This covers non-payment of social insurance, excessive working hours, and non-payment of legal wage.</p> <p>Any new factory working with Superdry is credit checked to ensure financial stability alongside robust pre-approval processes to ensure we are entering into partnerships with suppliers that meet local wage needs, with social security and standard working hours. We run regular credit checks on factories located in regions under macro-economic stress (including Sri Lanka). Our sourcing team and local offices work with suppliers to ensure prices agreed are transparent.</p>

<p><i>unemployment, sickness, invalidity, work injury, maternity, or loss of a main income earner. Precarious and self-employment might reduce access to social security.</i></p> <p><i>Working hours: Comply with national law, ILO Conventions, or collective agreement, whichever affords the greater protection of the worker. Connected to the workers right to health and family life, as well secured income.</i></p>		<p>Poor purchasing practices are likely to have the opposite effect.</p> <p>In countries including Turkey and Sri Lanka all workers are facing higher costs of living because of inflation and macro-economic conditions. Between 25 and 30% of Superdry's global production is sourced from these territories in any one year.</p>		<p>Where we detect individual financial stress (e.g., redundancies, late wage payments) we have in the past transferred suppliers to beneficial payment terms to support their recovery.</p> <p>Any factory with the same issue raised consistently (including late payment of wages, underpayment of wages, excessive working hours) is enrolled in our Intensive Care Process – and is engaged in monthly visits and training established with local experts.</p> <p>We have been working on several longer-term risks in this area to prevent the severity of risk in the future. One example is with low levels of social insurance coverage in China due to high levels of domestic migration and concerns from workers around access to funds. With an aging population access to social security is becoming a salient risk for workers – especially as they need to accumulate 15 years of payments to access a pension.</p> <p>We have established a contract with Shenzhen Tongtu Consulting Ltd to supply additional support to suppliers in training, monitoring, and enabling implementation of social insurance coverage in key factories. This, combined with targeted improvement across all factories, has enabled an uplift in coverage of the 5 types of social insurance across our Chinese supply base to 78% (FY 23).</p>
<p><b>HEALTH &amp; SAFETY</b></p> <p><i>Health, safety and wellbeing of employees, workers, and customers across the value chain, such as working conditions, store safety, product safety, chemical safety.</i></p>	<p>155, 183 /3</p>	<p>Health and safety issues are often seen as a simple fix, but underlying systems are required to maintain compliance.</p> <p>Preparing for an audit often results in a false positive result, demonstrating optimal Health and Safety, however between audits Health and Safety standards can drop below our Code of Practice requirements where factories fail to establish strong systems in this area.</p> <p>In addition to maintaining systems, we note reduced awareness of health and safety in factories which employ migrant workers. Access to training and first aid for migrant workers is often limited where their destination language is different to their source language. This results in additional dangers associated with a factory environment for this vulnerable group.</p>	<p>Code of Practice</p> <p>H&amp;S Policy</p> <p>Migrant worker policy</p>	<p>If identified this issue is classified as critical where immediate risk to life or limb is identified, where there is significant risk of harm. Immediate action is required to address the risk and orders are held should factories fail to remedy.</p> <p>Continuous improvement is then monitored to ensure sustainable systems are established to prevent future risk and to remedy ongoing non-critical risks.</p> <p>To ensure we ensure standards are maintained between audits we work closely with factories via our dedicated local office ethical functions to ensure basic systems with clear responsibilities are in place in all factories. We complete regular unannounced checks in factory via our local offices to ensure compliance is maintained between audits.</p> <p>Our migrant worker and refugee policies contains detailed guidance on expectations for factories employing migrant workers and our accompanying guidance document is designed to support implementation.</p>

