modern slavery statement

At New Look we believe in respecting and improving the lives of workers' right across our global business and supply chains. As such, we operate a zero tolerance policy towards any form of modern slavery, forced/compulsory labour and human trafficking in our day to day operations and in our supply chains.

We recognise that modern slavery is a global issue and that no economy, industry or sector is immune. We are committed to doing all we can to ensure that there is no modern slavery or human trafficking in our supply chains or in any part of our business.

This statement documents our commitment to preventing modern slavery. It has been published in accordance with the Modern Slavery Act 2015 (the Act) and sets out steps taken by New Look during the financial year ending 25 March 2017 to prevent modern slavery in our business operations and supply chain. We welcome the Act and its reporting obligations as a driver for transparency and consistency of approach to meet its objectives.

who we are

The New Look story began in 1969 with a single fashion store in the UK. From there, we've grown to become a leading fast-fashion brand. The New Look group is majority owned by Brait, an investment holding company who acquired a c. 90% interest in New Look in June 2015. The Singh family and New Look management hold the remaining c. 10%. Within the New Look group, New Look Retailers Limited is the key trading entity.



£1.5BN

FY17 REVENUE

Revenue £1.5bn for year to March 2017

On a store contribution basis. Store contribution is gross profit less directly attributable costs (i.e. excluding an apportionment of distribution costs) in stores which have been trading for 12 months.



18,000

EMPLOYEES

c.18,000 employees globally



180

MARKETS

3rd party E-commerce partners ship to c.180 markets



872
STORES WORLDWIDE

872 stores worldwide as at March 2017



COUNTRIES

E-comm sales to over 120 countries by newlook.com

Delivery available through our own stores, E-commerce and third party sites



80%

PRODUCTS

c.80% of products are supplied by our top 20 Suppliers

VEW LOOK

Our Infrastructure

We have two large UK Support Centres in London and Weymouth, complemented by international support centres in Shanghai, Paris, and Warsaw. In the UK we operate our own highly automated distribution centre in Staffordshire handling retail stock for our stores, despatching to our franchise and wholesale partners, and fulfilling global E-commerce orders. This operation is complemented by additional support for our Asian markets from outsourced distribution hubs in Singapore and Shanghai.

Our People

We employ approximately 18,000 people and engage up to a further c.850 people through employment agencies, at peak trading times. We strive to provide our people with a working environment free from any discrimination, harassment or bullying, where everyone is treated equally and with dignity. We want all our working relationships to be based on mutual respect and we work hard to achieve this.

We are acutely aware that the risk of modern slavery is not restricted to less developed countries than the UK, or to the more distant tiers of our product supply chain. We recognise that modern slavery could occur in our own recruitment processes without the right checks and procedures in place.

We therefore ensure, when employing anyone to work at New Look, that a robust recruitment selection process has taken place which is managed centrally by a trained recruitment team. It is important to us that any of our applicants/potential hires apply for opportunities at their own free will or give full permission to be represented by a third party (which is agreed in our terms and conditions with our recruitment agencies and workforce suppliers). This has also been achieved through strengthening our direct hiring model; over 80% of our employees are hired directly without the assistance of recruitment agencies. Where we do require any support in the hiring process, we have also reviewed our agency partnerships to ensure that we are only working with employment agencies that have the same ethical standards as our own.

Our Partnerships

New Look has long standing relationships with over 15 partners based all over the world. These partnerships are in the form of Franchise (physical stores) and 3rd Party E-commerce (3PE) (online only) agreements.

our supply chains

Our supply chain is divided into two areas:

- 1. Products for resale to our customers
- 2. The services and goods purchased which we do not sell on to our customers, but are needed for our business to operate

1. Products for resale

Products for resale in our stores and on our website including third party brand products

To meet our customers' needs, we have a global supply chain and we source our products from 186 suppliers, through 824 factories across 29 countries, involving c.340,000 workers*. At New Look, we map and describe our product supply chain as shown below:

2. Services and goods not for resale

Non-stock items and services including warehouse management, garment processing, outsourced customer deliveries, logistics, IT, cleaning and customer care. We procure these services and goods from more than 3,700 suppliers, who we manage using a category management methodology.



^{*} Data as at March 2017

VFW LOOK

Risk Prioritisation

We recognise that there is a greater risk of modern slavery affecting our people or supply chains where:

- · temporary or agency workers are needed
- migrant labour is used
- workers are not employed directly by us, or our direct suppliers, we have less visibility of any part of our supply chain (for example, production of raw materials used by our suppliers in the product we sell or the ports and airports we use to transport our end products)
- lower cost materials are being sourced (for example, buttons for shirts, or packaging materials used for our deliveries)
- suppliers subcontract without permission (in breach of contract)
- we or our suppliers are operating in 'higher risk' countries (e.g where there is known risk that refugee or child labour may be used)

In 2016/17, we formed a working group made up of key stakeholders across our business as a result of the introduction of the Act. We conducted an initial business risk review and found the following areas for improvement in relation to our practices:

- Policy Although we had various ethical and employment policies, we had no single policy dedicated to modern slavery that we could use to hold ourselves and our suppliers accountable
- Contracts Although for products for resale we had strict, comprehensive onboarding procedures and suppliers were required to sign up to our ethical policies, we didn't have strong enough terms in contracts to commit suppliers to our standards in relation to modern slavery

- Services and goods not for resale Historically, we had focussed more on our products for resale supply chain, and not conducted a comprehensive review of the risks associated with services and goods not for resale suppliers
- Training We needed all of our people in all areas of our business to understand and be able to identify modern slavery risks
- Access to Remedy We already had a UK
 whistleblowing helpline but needed to improve
 access to help and advice in our distribution centres,
 our other markets and to other workers engaged in
 our supply chain. We had no individual specifically
 responsible for dealing with potential modern
 slavery issues.

Set out below are the steps we have taken to address the issues above in the last financial year.

Our Commitment to Upholding Human Rights

At New Look, we are committed to tackling Human Rights issues directly. We have a dedicated Corporate Social Responsibility (CSR) team and we instil CSR in every part of our business. Our team works closely with our buyers and suppliers to monitor purchasing practices and understand the impact on people in our supply chain.

To live up to our global CSR goals and address the complex issues facing the fashion industry, we think it's vital that we partner with governments, the private sector, civil society, trade unions and other stakeholders. Our partners range from international organisations to local Non-Governmental Organisations (NGOs) and onthe-ground specialists.

We publish a comprehensive CSR report every year which sets out how we implement all of our CSR initiatives and details all of our partners. <u>Find out more</u>

NFW LOOK

We are a member of the Ethical Trading Initiative (ETI), an organisation which brings corporate, trade union and NGOs together in a unique alliance to tackle ethical issues. New Look has adopted the ETI's Base Code of Labour Practice which is based on the standards of the International Labour Organization (ILO) as the foundation of our Ethical Aims. Under those aims, employment should be freely chosen; forced, bonded or child labour cannot be used

As an active member of the ETI, we contribute and work closely with other members in working groups; sharing information and supporting projects. We report our performance annually, in addition to the statements we make in our annual report.

Policies

In September 2016, we published our Anti-Slavery and Human Trafficking Policy, which outlines our zero-tolerance approach to modern slavery, and our commitment to acting ethically and enforcing effective systems and controls to prevent modern slavery in our own business and within our supply chains.

Since then, we have been working hard to try to make sure our suppliers, contractors, partners and businesses further down our supply chains are aware of and understand their obligations under our policy.

A number of our other policies also support our commitment in this area:

- Our Equal Opportunities and Dignity at Work policies apply to our people, and outline the ways in which we look to eliminate discrimination and keep our workplaces free from any form of bullying or harassment.
- Our Ethical Aims reflect our commitment to acting ethically and with integrity in all our wider business relationships, including enforcing effective systems and controls to guard against slavery or human trafficking taking place at any point in our supply chains.
- Our Code of Business Ethics sets out the ethical standards we require our people and those we work with to live up to. We work continually to develop and revise the code to deal with new risk areas and the changing nature of our industry.

 Our Whistleblowing Policy applies to employees, contractors and anyone else acting on New Look's behalf. It encourages reporting of any wrongdoing and sets out a clear procedure for raising concerns. We have also extended this principle of whistleblowing into our supply chains.

We also have a number of additional CSR policies, including our Refugee Policy and Child Labour procedures which our product suppliers must sign up to and adhere to.

New Look acknowledges the need to drive initiatives beyond our principal manufacturing sites, and deeper into the supply chain, to identify areas of potential high risk presented by unauthorised subcontractors or the exploitation of a growing migrant workforce or other sectors of vulnerable labour. We continually strive to test our policies and processes to achieve this.

All of our suppliers and partners are required to comply with our Modern Slavery and Human Trafficking Policy. In addition, our product suppliers are required to sign up to our Ethical Policies as part of our contractual terms. As a company, our immediate focus is on ensuring our ethical standards are fully embedded into our own organisation and direct supply chains.

Contracts

We have updated all of our standard template contract terms, to include a strict obligation, on both our supplier and their own contractors, to comply with the obligations set out in the Act and in our own Anti-Slavery and Human Trafficking Policy.

We have a number of teams working directly with suppliers, from first contact to dealing with their onboarding and measuring their ongoing performance.

We clearly communicate our Ethical Aims to our product for resale suppliers from the outset. It is important to us that all suppliers understand what is expected of them, and all suppliers of products for resale are required to accept and sign up to our terms as set out in our Supplier Manual.

Due Diligence

We have been working for some time on collecting information about our suppliers. This ongoing comprehensive mapping of the size and shape of the New Look supply chains looks beyond the suppliers we contract directly with to better understand who is working in our supply chain and identify who may be at risk.

Products for resale supply chain: New Look monitors its Tier 1 product supply chain through independent third party audits and specialised programmes. We also have an internal CSR team who visit factories to carry out audits and encourage transparency. While we are mindful of limitations of audits as they only provide a snapshot in time and do not always highlight the complete issues, they do provide important input for risk assessment which is combined with partner reports and market studies to help us understand the risks.

Services and goods not for resale supply

chains: For our suppliers providing services and goods not for resale, we have used an objective risk scoring methodology to classify our entire supply base according to the country of origin of goods or services supplied, the prevalence of modern slavery risk in the category or sub-category of the spend (measured according to objective third party risk data) and whether or not the vendor provides any goods to us containing materials identified by third party data as carrying an enhanced risk of modern slavery in the supply chain for that item.

From FY17/18, all new services and goods not for resale suppliers will also be risk scored in this way before they can do business with New Look. Any suppliers flagged as having higher risk using this methodology will be asked to complete a detailed questionnaire, which will be reviewed by our Procurement and Corporate Governance teams, with support from our CSR team. Where the answers to the questionnaire do not satisfy New Look, a detailed audit of the supplier will be carried out. Additionally, we will use a third party adverse media screening service to provide additional insight into our supply base on an ongoing basis.

Third party E-commerce and franchise partners:

This year, we began to introduce our Modern Slavery policy to our global partners – providing information for them to roll out through their own companies. We took this as an opportunity to refresh their understanding of our ethical policies. We have communicated our Anti-Slavery and Human Trafficking Policy to all of our partners that we expect them to comply with it. Whilst we ensure that our external partners sign up to and adhere to our policies, we have yet to introduce a formal due diligence process to monitor the performance and adherence of our standards. We will therefore conduct a full review of our current onboarding and due diligence process in FY17/18.

Logistics/ Warehouse: All suppliers have been subject to the services and goods not for resale risk scoring and we have commenced a review of all current contracts in place. Some contracts have been amended to include modern slavery clauses and we are aiming to have this completed for all contracts in this area by the end of FY17/18.

Recruitment agencies used in our UK distribution centre have been subject to our own audit process. The distribution centre has also set up an independent and well communicated whistleblowing hotline which went live in April 2017.

HR – Knowing our Recruitment Sources

We recruit most of our employees directly, and all of our new recruits declare that they're applying on their own behalf. However, we do use agencies to support temporary staffing needs, particularly in our distribution centres.

During 2016/17, we increased efforts to ensure we continue to recruit directly, and re-structured our in-house recruitment team so we have expert recruiters assigned to specific departments in the business. We've also been working to reduce the number of agencies we use for short term labour. This is so we can be sure we're working with the best, and that we're able to build and maintain stronger relationships with our preferred agencies.

VFW LOOK

Training

To ensure a high level of understanding of the risks and possible indicators of modern slavery and human trafficking we provide briefings to our directors and training to key managers and staff, and encourage their vigilance and willingness to challenge.

Training is a fundamental way of raising awareness and ensuring that people understand the importance of a particular issue. We have developed an e-learning programme in-house, to be completed by all employees globally to help people understand what they need to do, and how to work together internally or externally if they encounter something that raises concerns.

We have delivered training on raising awareness among our UK supply base through a series of workshops under a programme called Fast Forward.

We also gave introductory training sessions as part of our supplier and franchise partner days, at which we launched, and began to familiarise suppliers with our new policy.

We recognise the importance of continuing to engage within our own business and with partners, suppliers and other third parties involved in our operations to train people and raise awareness.

Access to remedy

Providing workers with access to remedy is of paramount importance to the way we conduct business. This is underpinned by the United Nations Guiding Principles on Business and Human Rights. At New Look we think it is essential to empower workers to speak up and raise any concerns in total confidence.

We have set up whistleblowing helplines in three of our strategic countries, Bangladesh, China and the UK and are exploring the rollout of a global helpline in FY17/18. We have also set up designated communication channels for our own employees and suppliers to raise modern slavery concerns and appointed a Modern Slavery Officer for the business as part of New Look's Anti-Slavery

and Human Trafficking Policy. We have a remediation plan to be followed in the event that forced labour, modern slavery or human trafficking activities should be found or alleged in our business or supply chain. Since the symptoms and root causes of forced labour are varied, the investigation and corrective actions need to be tailored to the circumstances surrounding the case.

Progress and commitments

The table on the next page sets out our achievements to date and commitments for the next financial year. In ensuring our activity reflects our commitments we strongly align our modern slavery obligations to our Corporate Social Responsibility commitments, and we would encourage you to visit our publicly available Corporate Social Responsibility Report 2016.

This report outlines in more detail the commitments we make, the collaborations partnerships and our stakeholder engagement activities, as well as our ETI membership.

Please also note the more specific modern slavery undertakings below we aim to achieve:

- A clear policy
- A due diligence protocol
- Access to remedy
- A plan for remediation where it is necessary
- A process of measuring this activity for reporting purposes.

Strategies	Awareness	Achievements end FY 2016/2017	Commitments: end FY 2017/18
Transparent, Mapped Supply Chain	Long and complex supply chains need a full understanding of the supply relationships within them to help identify appropriate levers to drive compliance. New Look recognises the need to actively promote awareness and responsibility throughout the supply chain. To achieve this, we need full supply chain visibility. New Look recognises that higher risks exist when a supply chain is not transparent. Unauthorised subcontracting is not acceptable.	Products for resale: Tier 1 factories mapped Tier 1+ mapping underway We have mapped 74.5% of the supply chain globally on tier 1+ and tier 2, 84% of the footwear and accessories supply chain and 65% of tier 1+ and tier 2 of the clothing supply chain Audits beyond Tier 1 commenced in UK Turkey, India and China Decisive action taken and documented if sub-contracting found Ability to track individual orders to factories foundations established Random order checking, spot checks in factories conducted and recorded Contracts, purchase orders and terms and conditions updated to underpin New Look's policy requirements Services and goods not for resale: We have conducted an initial review of goods not for resale supply base and identified key risk areas We have commenced supplier screening and a more comprehensive risk profiling Contracts, purchase orders and terms and conditions updated to underpin New Look's policy requirements	 Products for resale: 80% (Top 20) supply chain mapped tier 1 + and Tier 2 Risk assessment of Tier 1+ sites in UK and Turkey complete Risk assessments commenced Tier 1+ and Tier 2 in top 5 sourcing countries. Third party brands bought by New Look will be required to commit to the New Look CSR objectives and policies Reportable sourcing commitments as member of the Better Cotton Initiative. This increases on an annual basis Services and goods not for resale: New vendor protocols to be implemented and reportable Due diligence and follow up audit to be implemented and reportable Increased mapping of our supply chain with an initial focus on shop fit kit suppliers and logistics providers Logistics providers will need to provide evidence of the actions they are actively taking. Examples of this would be by demonstrating how they have increased awareness within their own supply chain, sharing further details about their own recruitment practices and providing data relating to their own internal audits. This will be built into the current regular review process
Acceptable Labour policies and practices	Recruitment Practices Hiring practices and management of agencies and labour providers can put workers at risk, in particular with reference to recruitment and hiring, screening and managing brokers, and on-site management of workers.	 UK Distribution Centre labour provider audit conducted in UK Modern slavery assessment in all Tier 1 and Tier 1+ sites in UK Labour providers audits in UK commenced Direct hiring model and recruitment selection processes strengthened Reinforced anti-slavery and human trafficking policy for agency workers to have adequate protection in relation to wage-related matters, working hours, overtime and other working conditions Devised an assessment methodology for risk accessing the recruitment practices from a modern slavery point of view 	 We will implement the risk-assessment method in relation to recruitment practices to understand where key risks of contract and agency workers exist by region, product area and type of factory We will map labour providers in at least 80% of product supply chain We will have signed agreements with our preferred suppliers for recruitment across our whole business. Building stronger partnerships with our recruitment suppliers will enable us to drive strong adherence to processes and ways of working. Having one partner for our Distribution Centre, one of our key risk areas, will ensure we can manage it tightly

Strategies	Awareness	Achievements end FY 2016/2017	Commitments: end FY 2017/18
Acceptable Labour policies and practices	Temporary and / or Daily Wage Workers: Working without any contract, or formal HR procedures can expose workers to labour exploitation Forced labour is a risk, particularly among flexible and temporary (often agency) workers	Started mapping the labour providers in our products for resale supply chains • Started commissioning independent and internal audits in UK • In our services and goods not for resale supply chains, we have identified providers of temporary labour • New recruitment agent set up for the distribution centre to manage our temporary and permanent recruitment • Agreement reached with the distribution centre agency around recruitment processes, documentation provision by the candidate and ongoing audit requirements to ensure they meet the same ethical requirements as us • We have ceased using any agency support for temporary workers in our stores (they are all directly employed)	We will work with ETI to formalise the process of hiring daily workers in New Look's supply chain in Turkey We will commence applying the findings in other sourcing countries as appropriate Services and goods not for resale providers of temporary labour: we will implement reportable due diligence processes Reviews /audit on recruitment processes agreed with new agency for the distribution centre and will commence in FY17/18 Review of consultant/temp worker agencies to commence for Support Centre roles
	Migrant workers: Workers recruited through agencies can be prone to exploitation, and unaware of rights and terms of contract Susceptible to debt bondage Documents may be witheld	Developed anti-slavery and human trafficking policy Services and Goods not for resale: We have identified providers of temporary labour and other subcategories where migrant labour is commonly used as part of our screening process	Migrant worker policy to be in place Migrant workforce risks to be mapped and a risk assessment tool for product supply chain made available Due diligence activities to be implemented and reportable
	Refugee Labour: Vulnerability to human trafficking, forced, bonded labour	Refugee policy and remediation plan issued Active refugee worker remediation in Turkey Active member of ETI Turkey Business and Human Rights Working Group working with other brands	We will commit to not expelling a refugee working in a factory without a valid work permit Remediation procedures to be active and reportable We will continue our active participation in ETI Turkey platform and engagement with other brands and NGC
	Child Labour Vulnerability of children to forced labour and human trafficking Recognising inadequate HR controls can lead to children being employed if proper checks not carried out	Updated New Look policy to define child worker as below 16 rather than the local law in each territory Due to the continued widespread use of organised child labour in cotton cultivation in Uzbekistan, New Look committed to not knowingly source cotton from Uzbekistan Age verification training implemented in order to detect child labour risks in hiring processes Services and goods not for resale: Providers of temporary labour and other sub-categories where child labour risk exists have been identified All recruitment is done on the basis that someone has reached their 16th birthday and has completed	Child labour remediation programme to be implemented Age verification training to be implemented where risk identified Mapping and visits in lower tier sites to take place Services and goods not for resale supply chain due diligence to be implemented and reportable following screening

Strategies	Awareness	Achievements end FY 2016/2017	Commitments: end FY 2017/18
	Women workers 70% of workers in our manufacturing supply chain are women New Look recognises women can be particularly vulnerable to exploitation	Active projects related to women workers • For example: Bangladeshi NGO Nari Udyog Kendra (NUK) and the Social Compliance Initiative Bangladesh (SCIB) to train supervisors on the benefits of equality and gender empowerment in factories • Confidential worker hotline in UK and China • Worked with elected female representatives on social dialogue and their role in workers' committees in Bangladesh • HER project in China and Vietnam	There will be continued reported project work and engagement with external stakeholders We will extend the worker hotline to India, working with the ETI and other partner brands on the NALAM programme, a training programme on rights and responsibilities for young women workers in the mill sector in Tamil Nadu (India)
Training	Training is vital to enable those working for us and with us to uphold our policy and the fight against modern slavery	Delivered training on raising awareness among our UK supply base under Fast Forward Update to all our operational directors was provided Key members of working group attended modern slavery summit Delivered introductory training sessions to product suppliers and franchise partners Designed e-learning module for our employees	During 2017/18 we will roll out our e-learning module to all our employees worldwide We will introduce monthly reporting for all mandatory training to hold managers accountable for their completion rates. New starters will cover mandatory training as part of our induction programme
Partners	Although our first focus has been on our own business and supply chain, we recognise that it is also important to work with our partners to highlight modern slavery as an issue and check they are complying with our policy	We have amended the standard template contracts We have communicated our Anti-Slavery and Human Trafficking Policy to all our partners which we expect them to comply with We provided modern slavery training to our franchise partners at one of their brand days	 There are two brand days a year for franchise partners. As part of those brand days we will provide an annual update and refresher training / workshops We will conduct a full review of our current on boarding and due diligence process in FY 17/18 3PE partners will be provided with modern slavery project update / training

At New Look we take the threat of modern slavery seriously and we look forward to working towards the commitments we have made. We will continue to collaborate with other stakeholders and project partners to achieve our commitments in this area over the next year.

New Look's Modern Slavery Statement was prepared by our Modern Slavery working group and approved by the board of directors on 20 September 2017.

Danny Barrasso

Interim Chief Executive

New Look Retail Group Limited September 2017