

boohoo

MODERN SLAVERY STATEMENT

AUGUST 2017

Human trafficking, forced labour, debt bondage and child slavery are issues of increasing concern both in the UK and globally. At boohoo, we are guided by our values of passion, agility, creativity and teamwork. We pride ourselves on our inclusive culture and team spirit and we believe in running our operations in a fair and sustainable manner.

Boohoo is committed to operating in a manner that benefits all of its stakeholders. We recognise our duty of care to the people involved in the creation of our products. We have a zero tolerance approach to modern slavery. We are committed to acting ethically and with integrity and transparency and we accept that we have a responsibility to implement sufficient systems and controls to safeguard against any form of modern slavery and to protect the rights of workers.

This statement has been published in accordance with the Modern Slavery Act 2015. It sets out the steps that boohoo has taken and is continuing to take to ensure that modern slavery is prevented in our business operations and supply chains. This statement relates to the financial year ending 28 February 2017.

We Are boohoo

Boohoo is a leading online fashion retail group. Our brands, boohoo, boohooMAN, PrettyLittleThing and Nasty Gal, design, source, market and sell clothing, shoes, accessories and beauty products targeted at 16-30 year old consumers.

The speed and agility of the boohoo group ensures it is first to market with the latest on-trend styles and fashion. Products are designed, sourced, and subsequently distributed globally from a central UK warehouse. We sell products to customers in almost every country in the world, with a strong presence in the UK, US, Europe and Australia.

The boohoo brands are based in the UK, with head office in Manchester and a customer services and warehouse operation in Burnley. We also have an office in Leicester where we have a team whose sole responsibility is to manage our supply base, assisting suppliers to achieve the best possible standards of working conditions as well as facilitating the transparency and accountability in the supplier's operations. We are a truly global business and have smaller offices in New York and Los Angeles which allows us to more effectively serve our increasing US customer base.

GOVERNANCE & RESPONSIBILITY

Boohoo recognises that the fashion industry continues to face challenges in maintaining compliance standards and that there is a risk of modern slavery and human trafficking occurring in fashion supply chains. We have already taken action to promote ethical practices and policies to protect those within our supply chain and across the industry and we are committed to constantly improving our standards as our business evolves.

Overall responsibility for implementing sufficient systems and controls to safeguard against any form of modern slavery sits with the Joint CEOs. They are supported by our Merchandising Director and in-house Sourcing and Compliance team who are responsible for ensuring suppliers are compliant with law and regulations.

The Merchandising Director has a reporting line into the board's Audit Committee and provides a sourcing and compliance update at each Audit Committee meeting which occurs three times annually.

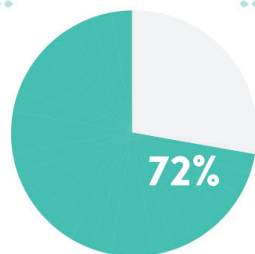
The Sourcing and Compliance team work closely with other in-house compliance functions, including the legal and company secretariat teams. Boohoo has also commenced work with an external auditor with a view to improve the processes and procedures of the relevant in-house compliance functions.

AT PRESENT

WE SOURCE FROM
11 COUNTRIES

OUR KEY COUNTRIES
UK, CHINA
INDIA &
TURKEY

ACCOUNT FOR
72% OF
THE GOODS
WE SOLD



OUR STOCK IS
SUPPLIED FROM

450 
suppliers

WITH
THE
TOP
30 PROVIDING
50%
OF OUR GOODS

50% OF OUR SUPPLIERS

HAVE WORKED WITH
BOOHOO FOR 3 YEARS

or more!



SUPPLY CHAIN

Boohoo recognises that it has a responsibility to its customers, colleagues and supply partners to ensure that all clothing, shoes, accessories and beauty products are produced under acceptable conditions and in an ethical manner. This means that all products are produced lawfully, through fair and honest dealing, without exploitation to those individuals operating in the supply chain and in suitable working conditions.

Our supply chain includes stock for re-sale on the website in addition to non-stock items and services which support the operation of the company.

SUPPLY CHAIN - *stock*

We have a demanding set of procedures and policies in place to which all suppliers must adhere. Boohoo is a SEDEX member and its suppliers are required to undertake a SMETA (SEDEX Members Ethical Trade Audit) to assess the quality of their operations, and this is supplemented by regular, unannounced audits by the Sourcing and Compliance team.

Where the audit process identifies that improvements can be made to the quality of the supplier's operations, the supplier is graded by the auditor that undertakes the SMETA, and the issues, together with the proposed improvements, are recorded in a Corrective Action Plan Report (CAPR). Once the CAPR has been filed, boohoo works with its suppliers to provide support to effect the necessary changes and improvements recorded in the CAPR. Before the CAPR can be closed, the supplier is required to submit evidence to boohoo's Sourcing and Compliance team that any necessary corrective actions have been implemented, which will be confirmed by boohoo via an unannounced visit. Working with our suppliers to help them address issues within their operations is important to us; we recognise that some issues can't be solved overnight, but with our guidance, our suppliers can implement gradual and sustainable changes, and together, we can contribute to improving operations for the industry as a whole.

Audit results shouldn't be considered in terms of 'Pass' or 'Fail' but rather as a way of identifying areas of non-compliance with boohoo's Code of Conduct.

SUPPLY CHAIN - *non-stock*

We recognise that we have an obligation to embed ethical purchasing practices within both stock and non-stock procurement. The procurement of non-stock products and services is managed through the procurement team, supported by the legal and finance teams. The Procurement Team ensure that all new non-stock suppliers complete the new supplier due diligence questionnaire and the Legal Team is responsible for ensuring that non-stock suppliers agree appropriate terms and conditions.

OUR CODE OF CONDUCT

Modern Slavery – Employment is freely chosen

There must be no forced, bonded or involuntary prison labour. Workers should be free to leave their employer after a reasonable notice period.

Modern Slavery - Child labour shall not be used

Suppliers must not use child labour and have sufficient policies in place in relation to slavery and human trafficking.

No harsh or inhumane treatment is allowed

Physical abuse or discipline, the threat of physical abuse, sexual or other harassment, verbal abuse, or other forms of intimidation shall be prohibited.

Suppliers must comply with local laws

boohoo expects its suppliers to be in full compliance with the laws and regulations of the countries in which they operate.

Living wages must be paid

Wages and benefits for a standard working week must meet the minimum, national legal standards or industry benchmark standards, whichever is higher.

There should be no discrimination in the work place

Discrimination on the basis of race, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation is prohibited.

Suppliers must comply with all relevant laws and regulations regarding the protection and preservation of the environment.

Regular employment must be provided

To every extent possible, work performed must be on the basis of a recognised employment relationship established through national law and practice.

Working conditions must be safe and hygienic

A safe and hygienic working environment must be provided, bearing in mind prevailing knowledge of the industry and of any specific hazards. Adequate steps shall be taken to prevent accidents and injury occurring in the course of work. Workers shall receive regular and recorded health and safety training, and such training shall be repeated for new or reassigned workers.

Working hours must not be excessive

Working hours must comply with national laws and benchmark industry standards, whichever affords greater protection.

The supplier will conduct itself with proper business integrity

There shall be no improper advantage sought, including the payment of bribes, to secure delivery of goods or services to boohoo

Suppliers must co-operate with boohoo to ensure these standards are met.

The supplier acknowledgment process requires that suppliers accept their obligations relating to modern slavery and other compliance issues by signing a compliance form. This acknowledgment process includes confirmation from suppliers that:

- They have taken steps to eradicate modern slavery within their business.
- That their own suppliers are accountable to them relating to modern slavery.
- UK suppliers pay their employees at least the national minimum wage or national living wage (as applicable).
- International suppliers pay their employees any prevailing minimum wage.

We encourage our suppliers to attend the annual boohoo supplier conference. The boohoo supplier conference provides us with a platform to share key issues with our suppliers, including compliance issues, product issues and any other areas of concern. These have been held in the UK (in Manchester and in Leicester) and also in China, and specifically address modern slavery and the importance of supply chain transparency.



OUR ASSESSMENT OF RISK



We are committed to working together with the first tier of the supply chain and other key stakeholders to raise labour standards and improve working conditions. We are focussing on our top 3 sourcing countries and those direct suppliers providing the highest proportion of product to ensure that they are compliant and following our code of conduct.

We recognise that our supply chain is complex and goes beyond the 'first tier'. The supply chain additionally includes sub-contractors, fabric and components suppliers and raw material suppliers. We are committed to improving traceability beyond the first tier of the supply chain and accordingly we have devoted significant internal resource to strengthen our work in this area. Currently, we are in the process of developing a second tier subcontractor database a part of our drive to increasing transparency within our supply chain as a whole



STEPS TAKEN - *Policies & Controls*

Boohoo has established due diligence programmes and has a number of policies and controls in place to support action on modern slavery. The Sourcing and Compliance team works closely with the supply base to ensure that these policies and controls are both properly communicated and implemented.

The boohoo supplier manual is made available to all suppliers at contract stage and suppliers have ongoing access to the supplier manual via the supplier portal. The supplier manual is a comprehensive document which sets out boohoo's standards, codes and policies. These standards, codes and policies are based on the Ethical Trade Initiative (ETI) base code, which sets worldwide standards of labour practice.

We have also started working with the local government to establish how we can better support our suppliers and provide them with funding, grants and training initiatives to help them invest in their businesses for the future and we are updating our whistle blowing policy for supplier employees to provide a safe and confidential helpline. Additionally, we are currently in the process of developing our existing online supplier portal, which will enable us to quickly communicate any compliance and legislation updates to our suppliers to ensure they are up to date with the latest regulations and health and safety requirements.

The supplier manual also outlines our Code of Conduct, which advises suppliers that we have a responsibility to ensure that all goods sold by boohoo are produced in an ethical way. This means they must have been produced:

- Lawfully, through fair and honest dealing
- Without exploiting the people who made them
- In decent working conditions
- Without damaging the environment

THIRD PARTY ASSESSMENT

We recognise that there is always room for improvement, which is why we have recently been working with a third-party supplier who has conducted an independent assessment on our supply chain policies and procedures.

We will continue to work towards our goal to be industry leaders in best-practice supply chain transparency, improving and refining our own policies as well as working with suppliers to support them to make their own improvements.



TRAINING

We have trained employees most directly involved in the Group's supply chain operations on the dangers of modern slavery and human trafficking and how to recognise warning signals. This includes employees in the Buying, Product and Sourcing and Compliance teams. These individuals receive refresher training on an annual basis.

We ensure that all new starters at the boohoo Group have an awareness of modern slavery and human trafficking, by including a briefing on these issues together with other key compliance topics within the Legal and Company Secretariat induction.

CEO STATEMENT

At boohoo we want to make sure that looking great doesn't come at the expense of others – we want to do the right thing by the people we work with and the countries we buy from.

To us, this means sourcing our products responsibly, improving the lives of the people that make them, and minimising our environmental impact. We're working hard to try and get it right. When we do, we celebrate; when we don't we learn from it and try again.

We know our customers care about how the clothes they buy from us are made, and we insist that our suppliers sign up to our ethical standards. In turn, we support them where they need our help or guidance.

The boohoo business model demands an agile and versatile supply base so that we can deliver the right products at the right time and made to the right quality. And we believe that there's a strong link between ethical trade and commercial success – not just for us but also for our suppliers.

We recognise that some issues can't be solved overnight, but believe that gradual, sustainable change is a goal we can achieve. We can sum it all up like this:

Why?

We care about our brand, our customers and our supply chain.

Who?

The boohoo group, our auditing partners, agents, factories and all those that are part of the supply chain.

How?

By close collaboration and solving any problems together.

When?

Now – and in the future.

Our goal is continued success and for those working with us to share in that success.

Boohoo's Modern Slavery Statement was approved on behalf of the boohoo.com plc Board of Directors and signed by Mahmud Kamani and Carol Kane, joint CEO's on 24/08/2017.