

MISSGUIDED

MISSGUIDED GROUP MODERN SLAVERY STATEMENT 2021

CONTENTS

- Introduction
- About Missguided Group
- Supply Chain
- Governance Policies and Contractual Controls
- Risk Assessment and Management
- Due Diligence Processes
- Effectiveness – Progress Report
- Partnerships & Capacity Building
- Training
- Future Commitments

This statement has been published in accordance with the Modern Slavery Act 2015. It sets out the steps taken by Missguided Group.

Missguided Group means any subsidiary of Missguided Limited, or any company or entity Controlled by, Controlling or under common Control with Missguided Limited including Mennace Limited.

MENNACE MISSGUIDED

The Modern Slavery Act (2015) demonstrates the UK's commitment to lead the global fight against modern slavery. Modern slavery is unacceptable within our business and supply chain, and combatting it is an important element of our approach to business and human rights due diligence.

The production of a modern slavery statement is a legal requirement for a business of our size and reach. However, we do so not because we must, but because we care, and because it's the right thing to do.

Modern slavery is a violation of human rights where victims are denied their dignity, freedom and security. Victims are trapped in a situation where they are often powerless and vulnerable, and therefore unable to leave because they are subject to deception, mental and/or physical abuse, threats and punishment.

We acknowledge that all stakeholders, including our customers, share our concern regarding modern slavery and want to know more about our supply chain, and as part of our commitment to the [Transparency Pledge](#) we have made good progress over the last 12 months and have now published our tier 1 and 2 factories. We will build on this by transparently building on our public list of tier 3 factories in this coming year.

It is a priority for the Misguided Group to ensure that we source ethically and responsibly and work to prevent modern slavery and human trafficking throughout our organisation and in our supply chain, and we will always treat people in our business and supply chain fairly. This means we will continually review and improve our policies, practices, and procedures so that we can fulfil this commitment.

In this exceptional year when Covid-19 has caused unprecedented disruption and change on a global scale, the re-evaluation of roles of different stakeholders and supporting the health & safety of vulnerable workers has become even more important.

This statement details how Misguided Group's approach to business and human rights is helping to tackle modern slavery in our supply chain. It provides an update on the activities and commitments detailed in our fourth Modern Slavery Statement and the steps taken from February 2020 to the new deadline of September 2021. The statement also outlines our commitments towards mitigating the risk of modern slavery in our supply chain to 2022. We have also included more details on the partnerships and initiatives we're involved in.

ABOUT MISSGUIDED GROUP

Founded in 2009 by Nitin Passi, Missguided has strived to create a culture that champions young talent and real women and inspires a new generation of unstoppable females to be themselves and achieve whatever they want.

From our award winning offices in Manchester we offer on trend product with iconic handwriting that's become synonymous with the Missguided brand, and our mission is to empower females globally to be confident in themselves and be who they want to be.

Missguided Group is a global multi-platform brand and we are passionate about continuously improving what we do in every aspect. Primarily a UK online retailer we continue our expansion into new sales territories with our Wholesale and Franchise partners, both digitally and through retail stores. We also have transactional websites in the USA, Australia, Canada, France, Germany, Ireland, Poland, Spain, Europe, and New Zealand.

Product	Target female	Territories
Apparel, footwear, accessories, beauty products	16-29	Our goods are shipped to 180 countries
Turnover	Sales channel	Wholesale
£287m	Primarily an online retailer, continue expansion into new territories both digitally and through retail stores	Our current Wholesale partners cover the following territories - UK, Europe, Canada, South America, South Africa, Australia, UAE and Russia.
Customer care	Employees	Fulfilment centre
Operate inhouse and across 2 outsource partners	Circa 335 across head office and retail	Located in Manchester, owned and operated by GXO



We divide our supply chain into two categories

1. Merchandise for resale on our websites and via wholesale and franchise partners
2. Goods and services not for resale (GNFR)

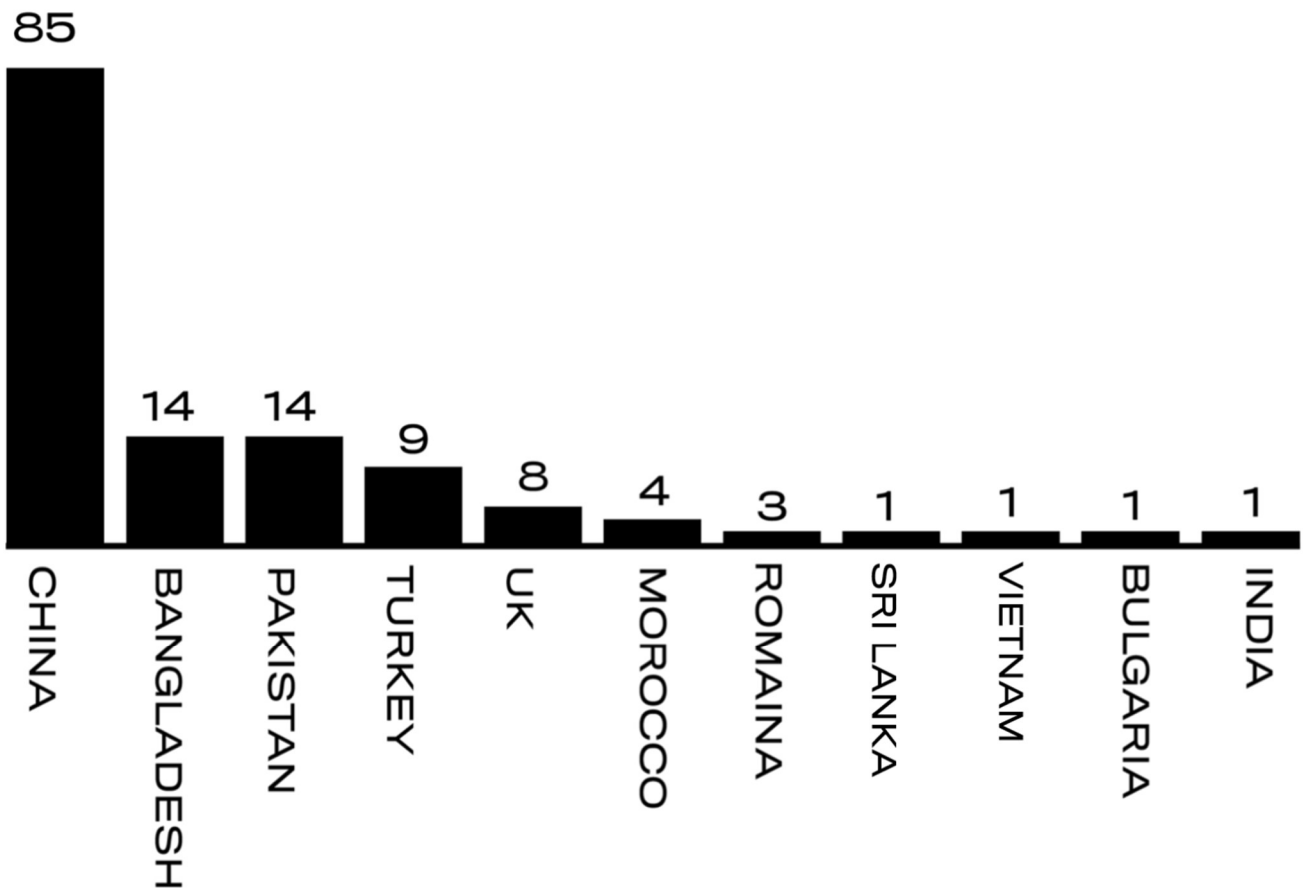
Product supply chains

- We source our products from 11 countries
- We have 97 active suppliers sourcing from 141 tier 1 factories and 89 tier 2 factories.
- There are a total of 37000 workers in our tier 1 & 2 factories (59% male / 41% female)
- A full list of our tier 1 & 2 factories is available under the transparency tab on our website, which is updated twice a year.
- Tier 3. For 2021/22 we will build on our published tier 3 list and will update twice yearly in line with our tier 1 & 2 listing.

Product supply chains are long and complex involving multiple tiers. We define these tiers as below:

Tier	Definition	Example
1	Factories where the merchandise is assembled and branded	Construction, branding, finishing, packing
2	These sites assist the main factory via sub-assembly processes	Cutting, knitting, panel printing, washing, product assembly for cosmetics, accessories
3	These sites provide the materials for Tier 1 sites	Fabric mills, tanneries
4	These sites are where the raw materials undergo the first stage of processing	Yarn supplier
5	Raw material	Farm

CONTRACT TIER 1 FACTORY COUNT BY COUNTRY



Supply Chain Management

All tier 1 factories must be declared and then risk assessed against our code of conduct and ethical objectives including modern slavery indicators which apply equally to all suppliers irrespective of the country they are based in. Failure to declare factories to us results in a charge being levied against the supplier. In 2021/22, we will roll out tier 2 risk assessments based on an industry standard Self-Assessment Questionnaire (SAQ)

During the last year we have introduced additional policies and contractual controls to assess the risk in our GNFR suppliers, and we have extended the scope of our modern slavery and whistleblowing policies to also cover these.

In 2021/22 we will work to create a cross department GNFR Modern Slavery working group to map our suppliers, so in 2022/23 we can begin to risk assess these in line with our GFR supplier.

Supply Chain Communications

We communicate with our suppliers regularly via our monthly supplier newsletter. This includes updates on our business strategy, supplier policies, or any ad hoc business updates.

We have monthly supplier update calls focussing on our top sourcing regions where supplier representatives from our buying and technical teams discuss supplier concerns. This is an opportunity for the wider business to collaborate on any follow up actions and provide updates to suppliers from one central source.

We also have a Supplier Panel which is made up of a cross section of our supply base covering our key sourcing regions and product areas. This panel not only allows us to sense check any new policies or processes before launching them to the wider supply base but is an invaluable forum for our suppliers to feedback any concerns or queries regarding our business practices. In 2021/22 we will expand on this forum to engage further with our suppliers on our purchasing practises and develop our buying training further to include a supplier perspective.

GOVERNANCE POLICIES AND CONTRACTUAL CONTROLS

We recognise empowerment is just as important for those working in our supply chain as it for our customers. We understand we will only win together if we develop strategic relationships with our suppliers and other business partners. The challenges we face are tough, we recognise that, but we are committed to the highest levels of transparency in all our partnerships so we can address supply chain issues together. As an active member of the Ethical Trading Initiative (ETI) we are at the forefront of improving the way suppliers treat their workers and how we as a business can review our practices to enable this.



Governance: Directors leading their respective areas are responsible for managing modern slavery risks within their operation, with overall accountability held by our board.

Our board is responsible for ensuring Missguided Group meets its human rights responsibilities.

ESG: We have a cross functional ESG working group which reports into the board and which meets on a quarterly basis to review risks, due diligence, and proposed policies. Close inter-departmental working is essential for the implementation of our standards & policies which includes modern slavery. The feedback and outputs from the ESG working group are communicated to the board.

Policies: We constantly review and update our standards and policies to address emerging risks, changes in law, the political landscape and industry with input from practitioners across the business, suppliers and external stakeholders.

Our Supplier Directory which contains details of all required policies and guidance as well as technical standards is available online for our suppliers. We have also published additional standards and policies on our Ethical Standards webpage to support our actions on modern slavery.

The screenshot shows a SharePoint page for the 'Missguided Supplier Directory'. The top navigation bar includes the 'MISSGUIDED' logo, 'SharePoint', and a search box. Below the navigation bar, there is a 'Home' button and a menu with options: '+ New', 'Discard changes', 'Page details', and 'Analytics'. On the left side, there is a vertical navigation menu with 'Documents', 'Pages', 'Recycle bin', and 'Edit'. The main content area features a grid of six orange tiles, each representing a section of the directory. The tiles are arranged in two rows of three. The first row contains: '1. Introduction', 'Contents' (with a list of 15 sub-topics), and '3. New supplier induction'. The second row contains: '4. Corporate Social Responsibility (CSR) Standards and Policies', '5. Own brand product development, approval and contracting process', and '6. Product standards, safety & due diligence'. Each tile has the 'MISSGUIDED' logo at the bottom.

1. Introduction

Contents

1. Introduction
2. Contents
3. New supplier induction
4. CSR, ethical trade, standards and policies
5. Own brand product development process
6. Product standards, safety and due diligence
7. Packaging & labelling
8. FOB agreements
9. Landfill/OT deliveries and warehouse operations
10. Inbound quality audit
11. Supplier payments, charges & contractual terms
12. Bonded merchandise & stock free supplies
13. Wholesale customer delivery requirements
14. In-house partner delivery requirements
15. Homepages

3. New supplier induction

4. Corporate Social Responsibility (CSR) Standards and Policies

5. Own brand product development, approval and contracting process

6. Product standards, safety & due diligence

We have the following policies in place relevant to modern slavery:

Terms of contract: We make our expectations clear from the outset of our relationship with suppliers. All suppliers must agree to comply with all Missguided ESG policies.

Spotlight Issues

Terms of contract: As our business has grown in 2020, we identified that not all of our Goods For Resale suppliers had signed up to our amended Terms of Contract which included our ethical trade policies. As a result, we are working across departments to roll this out across all suppliers and clearly map where we still have gaps. For 2021/22 we plan on expanding this project to capture any new Goods Not For Resale suppliers and to implement this retrospectively to all existing GNFR suppliers

Not only has this given us greater transparency of our GFR supply base, but by doing this with our GNFR suppliers as well we will be able to start mapping these via our working group to give us greater visibility of the overall risk to our business.

Our Ethical Objectives: The ethical objectives Missguided has adopted are based on those of the Ethical Trading Initiative, of which are Missguided is a member. These, in turn, are based on the internationally recognised standards of the International Labour Organisation (ILO). It defines the minimum standards we require from all our suppliers.

Anti-Slavery and Human Trafficking Policy: Outlines our zero-tolerance approach to modern slavery and our actions under the policy.

Child Labour, Remediation and Young Worker Policy: Sets out steps to protect young workers so that no children are involved in the production of our products.

Anti-bribery and corruption policy: This policy details our zero-tolerance stance, expectations and responsibilities with respect to corruption.

Whistleblowing policy: We have access to a helpline for our UK factory workers through our Fast Forward membership to raise any concerns they have whilst protecting their anonymity. Arrangements for a whistleblowing

helpline for Missguided colleagues are currently being put in place and this will be live before the end of 2021.

Cotton Sourcing Policy: Due to the continued widespread use of forced and child labour in cotton cultivation in Uzbekistan & Turkmenistan, we have banned the use of Uzbekistan and Turkmenistan cotton in our products whilst these practices continue.

Employer Pays Policy: Eliminating recruitment fees charged to workers is one of the crucial ways that companies can ensure slavery-free supply chains.

UK Sourcing Policy: Our objective is to partner with manufacturers that share our desire to operate in the right way. We will only engage and maintain a trading relationship with suppliers manufacturing in the UK if the main manufacturing site (tier 1) is owned by the supplier. Suppliers who use CMT units or third parties to carry out their main manufacturing processes will not be engaged.

Missguided is now a member of the Fast Forward audit programme and all our tier 1 manufacturing sites in the U.K. must agree to be audited to the Fast Forward standard, using Fast Forward methodologies. We cannot go forward with any supplier not prepared to join the programme.

The manifestations of Modern Slavery are complex and hidden, so our risk assessment of tier 1 factories is based on external reports, our partnerships, stakeholder engagement, our own due diligence programme which includes supply chain mapping, transparency, factory visits, desktop risk assessment reports, supplier engagement and access to remedy helplines all of which combined enable us to prioritise actions and further discussions.

We understand that there is a high risk of modern slavery in a supply chain where there are:

- Migrant workers
- Vulnerable groups of people
- Contracted or temporary workers
- Undisclosed sub-contracting
- Child labour
- Majority female workforce

Within our UK supply chain we have identified the following areas of high risk

- UK Manufacturing, in particular Leicester including.
 - Underpayment of wages
 - Potential Furlough fraud
 - Illegal workers

Our approach:

Within our UK supply chain we have adopted the BRC (British Retail Consortium) Retailer Protocol for Handling Reported Cases of Modern Slavery, which establishes principles of good practice for retailers responding to reported cases of forced labour, human trafficking and other forms of modern slavery.

Spotlight Issues

Leicester Manufacturing: Through our engagement with Fast Forward and our whistle blowing policies we identified a supplier where the correct Right to Work documents have not been supplied. Although not modern slavery this is a potential indicator that modern slavery may be present.

We are working with the supplier where the risk was identified and are currently supporting them through the correct document checks required, and the potential of worker sponsorship to enable continued employment.

Within our global supply chain we recognise that the high-risk areas, although having similar route causes, need a different approach.

We have identified the following areas of high risk:

- Cotton from Xinjiang
- Working hours in China, which although not modern slavery, can be an indicator of issues relating to forced or bonded labour.

Spotlight Issues

Xinjiang

As active members of the ETI modern slavery working group we followed their guidance on how to gain an understanding of our exposure within the Xinjiang region. We sent communication to all our suppliers requesting details of their supply chain and any potential risk, and we also checked that none of our tier 1 or 2 factories are listed on the public database that is mapping facilities within this region

No issues were flagged so no further action has been taken, however given that Xinjiang is the largest cotton growing region in China this still represents a potential risk especially given that BCI have had to suspend activities in China due to auditor safeguarding within the region. We joined the Better Cotton Initiative in 2020 and in 2021/22 we will be launching a trial with our key strategic suppliers to allow us to map the percentage of cotton sourced via BCI accredited suppliers and we will continue to follow BCI's lead with regards to their work in China.

In 2020, as with many of our competitors, we have felt the negative impact of Covid-19 on our sales, which affected our cash flow and in turn had an impact on our ability to pay suppliers to agreed terms. We have maintained an open and honest dialogue with our partner NGOs through this period, and we have remained in close communication with our suppliers globally in order to mitigate any risk within our supply chain.

It is Missguided's firm intention that all suppliers will be paid all monies due as quickly as we are able to, in order to minimise any potential stress this may have caused.

DUE DILIGENCE PROCESS

Ethical trade programme: We have an ethical trade programme in place to risk assess all our tier 1 factories against our ethical trade and modern slavery policies. Our ethical trade programme is implemented by Fast Forward in the UK and Verisio in the rest of the world, and in the UK is supported by factory visits from our internal teams. We ask our suppliers to support and show progress on any issues identified via continuous improvement, forward planning, and any corrective action plans which may have been issued are completed within a timely manner.

Monitoring: We monitor the progress of our programme through industry leading online software developed by our partner company Verisio, which records all risks and grades them to prioritise actions. This also helps us in putting time bound remediation plans in place (corrective action plans).

Our factories are graded against our ethical standards, which are based on the ETI Base code to ensure we are aligning with ILO conventions and best practices.

Onboarding: Any supplier supplying Missguided own brand product must declare all their factories used and provide a third-party social audit report which is graded on an internal matrix to assess risk. Supplier's manufacturing in UK must use own their own tier 1 manufacturing facilities, the use of third-party tier 1/tier 2 manufacturing/cutting is not permitted.

Transparency: This has been a key focus. Our customers, external stakeholders including NGO's and civil society want to know where we are sourcing our goods from. To fulfil expectations we have signed the Transparency Pledge and disclose full details of our supply base including names and addresses, alongside meaningful information such as product type. We plan to expand on this for 2021/22, going above and beyond to include worker and union detail. This now aligns Missguided with the wider

clothing industry and current best practice in global supply chain transparency. Given the focus on fast fashion brands we have committed to maintaining a visible listing of all our approved Tier 1 and 2 factories, and to build on the tier 3 list published so far.

This is an important step in driving greater transparency within the fashion industry, in order to ensure fair and safe working conditions in factories worldwide. It also enables industry collaboration to prevent serious global issues such as Modern Slavery and sets a common minimum standard within our supply chain.



EFFECTIVENESS - PROGRESS REPORT

Potential risks	Why are these risks	Progress	Further commitment
Migrant workers	<p>The risk of modern slavery increases when there is high presence of migrant workers in any country because of:</p> <p>An inability to understand the terms and conditions of employment</p> <p>An inability to speak the local language leading them to be more vulnerable to exploitation</p> <p>Migrant workers paying recruitment fees and trapped in substandard employment terms</p>	<p>We have issued anti-slavery and human trafficking policies which define supplier specific requirements and provides guidance on spotting the signs of modern slavery</p> <p>Mapped migrant workers in our tier 1 supply chain</p> <p>Joined Modern slavery group at Ethical Trading initiative (ETI)</p> <p>Joined Better Retail Better World</p> <p>Joined Ethical labour group at BRC</p>	<p>Continue to map and risk assess migrant labour in our supply chain</p> <p>Implementing employer pays principle so that no worker should pay for the cost of recruitment</p> <p>Continued engagement in Modern slavery group at ETI / BRC ethical labour group to develop best practices guidance for migrant workers</p> <p>Continued engagement with Better Retail Better World to deliver agreed activities as part of multi-stakeholder group</p>
Vulnerable group of people	<p>May not have access to legal means of employment making them vulnerable to exploitation</p>	<p>Document refugees in Turkey when they are found to ensure they are treated fairly and according to local law – In last year no undocumented refugee worker found</p> <p>Established helpline for UK factories</p> <p>Signatories to Apparel and General Merchandise Public/Private Protocol</p> <p>Supported call for licensing scheme for UK textile factories</p>	<p>Document and continued support for treatment of refugees, if found in our Turkey supply chain</p> <p>Continue engagement with Gangmasters and labour abuse authority through Apparel and General Merchandise Public/Private Protocol in UK</p> <p>Further engage with external stakeholders to develop policies and due diligence process for our global supply chain</p>

Potential risks	Why are these risks	Progress	Further commitment
Undisclosed sub-contracting	<p>Undisclosed sub-contracting is where factories registered with us send our products to be manufactured at factories not registered with us.</p> <p>This is in breach of our supplier terms of engagement</p> <p>Due to lack of visibility, increased risk of worker exploitation and modern slavery going undetected on such sites.</p>	<p>We have mapped our Tier 1 supply chain</p> <p>List of Tier 1 now published on our website, this will be updated biannually</p> <p>Revised our policy of undisclosed subcontracting to make it more stringent</p> <p>Revised our terms of engagement with suppliers to focus more on this area</p>	<p>Assess tier 1 and 2 in UK against Fast forward standard</p> <p>Continue mapping beyond tier 1 and publish list online</p> <p>Continued engagement with suppliers and factories including regular visits to UK and other sourcing countries</p> <p>Further work with third party to start managing the risks</p>
Majority female workforce	<p>Presence of large number of female workers in the supply chain, they can be particularly vulnerable to exploitation</p>	<p>Access to remedy multilingual helpline for own UK supply chain</p> <p>Mapped female workers (45% in tier 1 factories)</p> <p>Delivered mental health pilot programme in UK factory</p>	<p>Continued support for helpline in UK</p> <p>Continue to publish figures for female workers on website</p> <p>Develop supplier training for suppliers in China</p> <p>Talk to more female workers during country visits to understand issues and develop programme to address the issues</p>

Potential risks	Why are these risks	Progress	Further commitment
Purchasing practices	<p>Inequitable purchasing practices can prevent supplier compliance with our ethical objectives and can lead to:</p> <ul style="list-style-type: none"> • Failure to pay wages and benefits required by law and buyers' codes of conduct • Use of excessive overtime, some of which may be forced • Unauthorized subcontracting to unsafe facilities with poor working conditions • Increase use of temporary labour making employment 	Formed a group to lead alongside senior buyer and head of buying to address	<p>Develop and deliver training to product teams</p> <p>Buying Ethically training has now been rolled out to all buying, quality and merchandise teams and will now be implemented for all new starters going forward. Refresher training to be developed and implemented.</p>
Employer pays principle	<ul style="list-style-type: none"> • Many vulnerable workers, especially those migrating abroad for work, are often desperate to find work, poor and low-skilled with limited access to employment in their own community and so accept the fees for the promise of a job. • Businesses are increasingly recognising that the practice of charging recruitment fees to workers is exploitative and can lead to situations of debt bondage and forced labour. • Eliminating recruitment fees charged to workers is one of the crucial ways that companies can ensure slavery-free supply chains. 	Policy has been shared with the supply base and updated in the Supplier Directory	

Potential risks	Why are these risks	Progress	Further commitment
Contracted or temporary workers	<p>May have been recruited from home countries with false promises</p> <p>May have fewer rights in the workplace making them more vulnerable to exploitation</p>	<p>Update to our Ethical Requirements to include the requirement for electronic payments. This allows greater transparency and traceability to wages during audit due diligence check.</p> <p>Require contracts to be in place for all workers including temporary workers in UK</p> <p>Modern slavery risk assessment of all Tier 1 UK factories</p> <p>Mapped tier 2 factories in UK</p> <p>Risk assessed fulfilment centre</p>	<p>Assess all tier 2 factories against Fast forward standard in UK</p> <p>Continue mapping tier 2 factories globally</p> <p>Mapping agency workers in our supply chain tier 1 factories</p>
Child labour and young workers	<p>Children and young workers are vulnerable to exploitation of forced and bonded labour</p> <p>Lack of proper checks at recruitment stage can lead to child labour employed in factory</p> <p>Lack of health and safety policies and practices may lead young workers to work in unsafe working conditions</p>	<p>Banned use of cotton from Uzbekistan and Turkmenistan due to the continued widespread use of organised child labour in</p> <p>Updated policy to define child worker as 15 and below rather than the local law in each territory</p>	<p>Online training toolkit for global suppliers and factories for child labour prevention</p>

PARTNERSHIPS & CAPACITY BUILDING

Partnerships: Collaborations are key in addressing the risks of modern slavery - any brand working in isolation will not be able to prevent modern slavery. It is vital for a responsible business to partner and work with civil society, NGO's, Governments, trade unions the private sector and external stakeholders to collectively address the issues facing the fashion industry

To that end, we are members of:

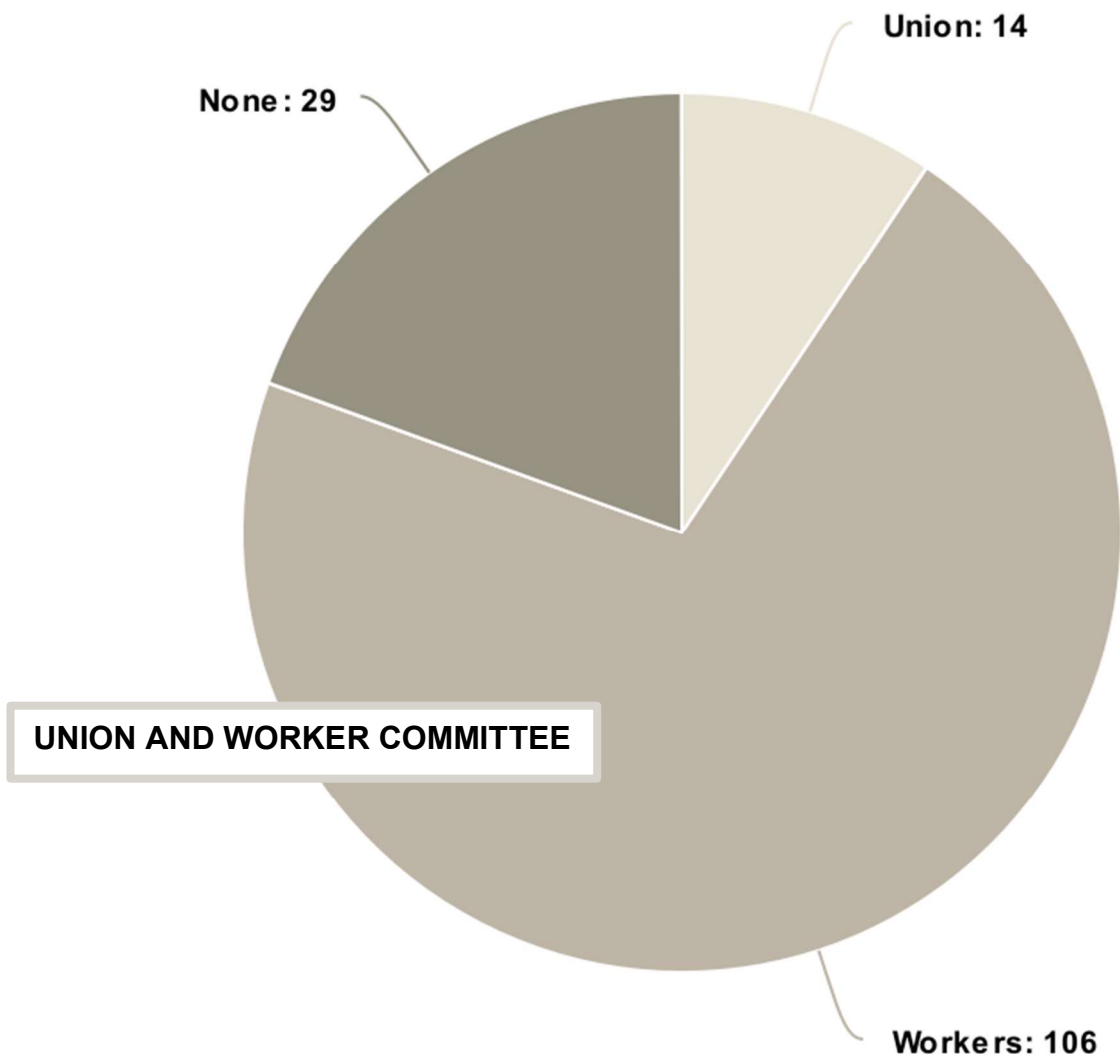
- **Ethical Trade Initiative (ETI):** Which enable us to work with different brands, trade unions and civil society through various working groups to address the issues collectively, such as
 - Modern slavery group
- **British Retail Consortium (BRC):** As members of the BRC we have joined:
 - Better Retail, Better World to meet some of the biggest global challenges of the coming decades, as highlighted by the United Nations (UN), including climate change, modern slavery and the right to decent work, sustainable economic growth, inequalities and responsible consumption and production.
 - Ethical labour group
- **Fast Forward:** In the UK, we are now part of the multi brand initiative, Fast Forward. The assessment, approach and methodology of the programme has proven its ability to delve deeper into a supplier's business management systems and employee records to identify issues. This assessment and any subsequent remediation which may be identified is mandatory for engagement with Missguided going forward, however we continue to use other audit methodologies globally.

Spotlight Issues

Access to Remedy Following the audit, we work with our suppliers and factories to complete a remediation programme with agreed timelines. All our UK manufacturers will go through a Fast Forward workshop and training to understand the requirements of the programme. Being a member of Fast Forward allows us to build honest and open dialogue with our UK factories and create long term sustainable partnerships.

As part of our membership of the Fast Forward audit programme all workers in our UK supply chain have access to a confidential worker hotline. This hotline seeks to empower workers by allowing them to report issues through an anonymous mechanism. In turn, we can support workers in our supply chain better via either brand collaboration to rectify issues or escalations to government agencies such as the GLAA or the Police

Within our global supply chain we have begun to map where our supply chain has access to unions or has implemented worker committees, this is detailed in the diagram below. For 2021/22 we will analyse this further to better understand how these function as effective mechanisms for worker voice.



We are also working in collaboration with

- **Gangmasters and Labour Abuse Authority (GLAA):** We are signatories to the Apparel and General Merchandise Public/Private Protocol which aims to tackle labour exploitation in the UK supply chain. It recognises the intent of the Labour Market Enforcement Bodies (LMEB) and Apparel and General Merchandise (AGM) brands to work together and share information with the overarching aim to protect vulnerable and exploited workers
- **Verisio:** To provide appropriate robustness to our due diligence we have engaged the services of Verisio, who are supply chain transparency experts working with many other retailers and brands. Verisio use their proprietary software system 'Optimus' to manage all of our audit report data, grade corrective actions, risk assess and then automatically follow up on open issues, closing them off with follow up site visits, audits or desktop audits. Globally Verisio has teams of social compliance auditors in China and other manufacturing countries and is familiar with local labour law and conditions for all these countries. Verisio also helps us to benchmark our data and our modern slavery due diligence program against other peer group companies in the industry, to ensure that we are always working to best practice.
- **TRN (The Reassurance Network):** A team of on the ground specialists who support us with specialised Fast Forward audits in the UK. We plan to engage with TRN to organise targeted projects in our global supply chain in 2021/22.
- **Highfields Community Centre:** A collaboration of brands, trade unions and NGO partners to provide an outreach service to workers in our Leicester supply chain.

Spotlight Issues

Access to Remedy – L-GWASP - Leicester Garment Worker Advise and Support Project

The launch of LGWASP on Saturday the 14th of August 2021 at The Highfields Community Centre Leicester was not only an important milestone for the Leicester manufacturing industry, but also for Missguided, as it gives us an important distinction from other online fast fashion e-tailers. As members of the steering committee, we have been an integral part of the start of a process to significantly improve the lives of workers making our clothes in Leicester.

LGWASP –is a tripartite project run by Brands, Trade Unions and NGOs to integrate worker representatives into our Leicester supply chain to provide help and support on labour and employment rights. The intention is that not only do Missguided suppliers become leading examples of ‘what good looks like’, but that the ripple effect of this worker knowledge will lead to integration of these practices into those businesses set out to exploit their workforce and raise the bar on worker expectations.

Next steps for the project are to fill the two worker outreach positions, this may be in the form of seconded trade union staff, or someone external, and for brands to start introducing them to the factory owners and workers, creating an initial relationship between the two parties for them to develop further.

TRAINING

The Modern Slavery Act has been an opportunity to embed a greater understanding of human rights within our product supply chain and to extend the awareness of the issue internally at Missguided.

Training – Internal

- In order to increase awareness and improve our approach to detecting issues we regularly update the leadership team via the ESG working group.
- All our staff and new starters go through specific online training sessions on modern slavery, including information on how to raise complaints and concerns. We monitor completion rates and scores to ensure awareness and understanding of modern slavery in all relevant areas of the business and sign off of a new colleague's probationary period is dependent on the completion of this training.
- Smart Buying Training. We have developed a comprehensive training programme for our product teams to improve our purchasing practices.

The training covers:

- Supplier relationships and how to build and maintain these to promote honest conversations and build a beneficial relationship for both parties.
- Negotiation and the importance of 'win win' scenarios for both Missguided and our suppliers.
- The various cost elements within a product (labour/materials/overheads/supplier margin) and how they combine to create a minimum base cost threshold which cannot be negotiated down from any further if the supplier is to maintain ethical practices within their supply chain.

- What elements of the cost price can be negotiated without impacting workers.
- The possible negative impacts that purchasing practices can have on the workers in our supply chain.
- Why ethical trade needs to be embedded into our business

This has now been rolled out to all buying, merchandise and product technology colleagues. For 2021/22 we will review how we implement refresher training, and how we capture all new starters.

Training – Suppliers

- All suppliers in UK must attend the Fast Forward Supplier Engagement Program training.

Training – External

- As an active member of the ETI, BRC, GLAA Public Private Protocol, we regularly participate in briefing meetings and working groups to raise awareness, share experiences/learnings and collaborate on the resolution of key industry issues including modern slavery.

FUTURE COMMITMENTS

Over the coming year our plan is continued engagement with industry peers, external stakeholders and partners through our memberships and collaborations to focus on the root causes of modern slavery. Our aim is to further promote our four important values – the Missguided ‘vibes’ #DreamBig, #WinTogether, #BelieveAlways and #LoveLots which are central to the purpose of our programme. Our areas of focus next year will be

- Continue to map and assess migrant and agency workers in tier 1 factories and develop external programmes to mitigate risk within our supply chain
- Assess all tier 2 sites using an SAQ format
- Complete tier 3 mapping and publish the list
- Continued engagement with ETI, BRC, GLAA, and other external stakeholders
- Continued engagement with suppliers and factories including regular visits to UK and other sourcing destinations.
- Consciously engage with female workers during UK/overseas factory visits to understand local issues and help develop programmes to address these.
- Addition of factory name and address to our POs to provide greater transparency and increase our due diligence on supplier monitoring.
- Continue to build and develop Leicester worker outreach programme.
- Begin discussions to implement a Missguided modern slavery working group which will also map our GNF supply base.

The oversight of modern slavery is led at board level; accordingly, this statement has been approved by the Board of Directors and signed by myself in my capacity as CEO of Missguided Group.

Nitin Passi

Founder & CEO

Nitin Passi

