FOSSIL GROUP CALIFORNIA TRANSPARENCY IN SUPPLY CHAINS ACT AND UK MODERN SLAVERY ACT STATEMENT

This statement has been published in accordance with the UK Modern Slavery Act 2015 and the California Transparency in Supply Chains Act of 2010.

On January 1, 2012, the California Transparency in Supply Chains Act of 2010 ("California Act") went into effect in the State of California. The Act seeks to supply consumers with information regarding companies' efforts to eradicate slavery and human trafficking from their supply chains.

Under the UK Modern Slavery Act 2015 ("UK Act") companies providing goods and services with a total turnover of above £36 million, are obliged to produce a slavery and human trafficking statement for each financial year.

Set forth below is information about Fossil Group's efforts to ensure that our suppliers
are not engaging in conduct that could be considered slavery or human trafficking. The efforts cover the financial year 2018 but may also apply to past endeavors undertaken by Fossil Group.

We design, develop, market and distribute fashion accessories, including belts, handbags, jewelry, small leather goods, and smart and traditional watches under proprietary and licensed brand names. In addition, Fossil has a third party licensee who manufactures, markets and distributes sunglasses and prescription eye glass frames under our proprietary brand name. Fossil also markets and distributes those sunglasses.

Fossil Group is committed to ethical and responsible conduct in all of our operations and respect for the rights of all individuals. We expect that our business partners will share this commitment. We strive to ensure that human rights are upheld for all workers involved in our supply chain, and that individuals experience safe, fair and non-discriminatory working conditions.

Fossil Group has a Code of Conduct for Manufacturers (https://www.fossilgroup.com/compliance/supply-chain/code-conduct-manufacturers/) (“Manufacturer Code”) that is based upon international labor and human rights standards. The Manufacturer Code addresses human rights principles and sets standards of workplace conduct for the factories that produce our products. The Manufacturer Code specifically requires our manufacturers to not use child, forced or involuntary labor. Before supplying product to Fossil Group, our manufacturers must sign an agreement with Fossil Group that includes a commitment to abide by the Manufacturer Code.

We provide training to our factories related to the Manufacturer Code and the applicable laws in the country in which the factory is located. The training provides the factories with a more in-depth explanation of the Manufacturer Code. Specifically, we address the section within the Manufacturer Code on forced labor, allowing the factories to ask questions to ensure they understand this particular section.

In addition to the contractual obligation, we evaluate our supplier’s compliance with the Manufacturer Code through audits conducted both by Fossil Group employees and third party compliance auditing firms. In most cases the audits are announced.

If we believe that a supplier is failing to live up to the standards of the Manufacturer Code, we may terminate the supplier or provide the supplier with an opportunity to remedy the non-compliance through the implementation of a corrective action plan. For those suppliers on a corrective action plan, we will work with the supplier as necessary to help them understand the non-compliance and provide advice on how to remedy the non-compliance. We usually conduct a follow-up audit to confirm
compliance after the implementation of the corrective action plan. Should the supplier continue to fail to meet our standards, we may seek to eliminate such supplier from our supply chain.

As part of our risk assessment, we require completion of a factory self-assessment of all potential Tier 1 and Tier 2 suppliers. We evaluate the responses and determine if follow-up questions are needed. A manufacturer’s geographic location, nature of its manufacturing activities and anticipated production output are included in the consideration of the risk of the supplier.

Supplier and Fossil employees that feel ethical standards in business may have been compromised can call in to a supplier hotline or Fossil employee hotline. Follow-up actions will be taken in good faith.

In addition to Supplier training, Fossil Group requires all employees and management who have direct responsibility in Supplier Compliance to take annual trainings. The training topics are focused on issues and concerns surrounding the supply chain, including human trafficking and slavery with a focus on mitigating risks.

Fossil Group is committed to upholding human rights in our supply chain. We will update this document to reflect changes in our efforts to comply with global standards.

Kosta Kartsotis
Chairman and CEO, Fossil Group

Regulatory Compliance
(https://www.fossilgroup.com/compliance/regulatory-compliance/)
Supply Chain

California Transparency in Supply Chains Act
(https://www.fossilgroup.com/compliance/supply-chain/)

UK Modern Slavery Act
(https://www.fossilgroup.com/compliance/supply-chain/)

Code of Conduct for Manufacturers
(https://www.fossilgroup.com/compliance/supply-chain/code-conduct-manufacturers/)

Brand Protection
(https://www.fossilgroup.com/compliance/brand-protection/)

Conflict Minerals
(https://www.fossilgroup.com/compliance/conflict-minerals/)

Equal Opportunity
(https://www.fossilgroup.com/compliance/equal-opportunity/)

Accessibility Statement
(https://www.fossilgroup.com/compliance/accessibility-statement/)