

T E D B A K E R

L O N D O N

MODERN SLAVERY STATEMENT

2021/2022

Statement covers FY 21/22
Published on 07/07/22

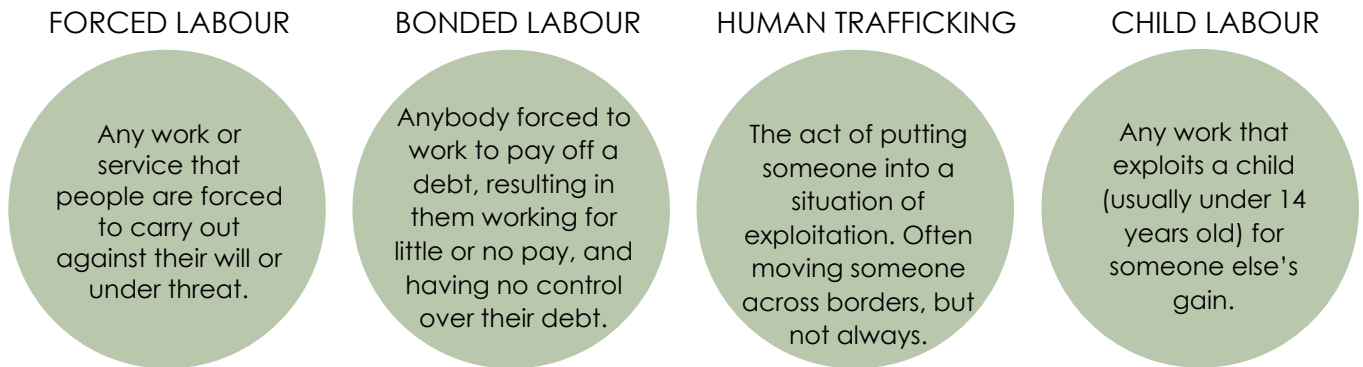
This statement is published in accordance with the Modern Slavery Act 2015 and the California Transparency in Supply Chains Act 2010 (the "Acts") and constitutes the Ted Baker group's sixth statement. This statement covers Ted Baker Plc and its subsidiaries, including No Ordinary Designer Label Limited, No Ordinary Shoes Limited and Little Lobster Limited ("Ted Baker" or "Ted"). Ted Baker has published an annual modern slavery statement since March 2017; to view these statements click [here](#). This statement provides an overview of the steps Ted Baker has taken during the 2021/2022 financial year to prevent modern slavery and human trafficking from taking place in our supply chain or in any part of our business, as well as our future plans.

At Ted Baker we are committed to being open and honest in the way we do business. This includes doing the right thing by all stakeholders throughout the supply chain, operating in a fair and sustainable manner and protecting the people who create Ted Baker products.

WHAT IS MODERN SLAVERY?

Modern slavery is the umbrella term which covers forced or compulsory labour, bonded labour, child labour, and human trafficking refers to all work or service from any person under the threat of a penalty and for which the person has not offered himself or herself voluntarily.

To help understand these issues we have used the following definitions in this statement:



According to the International Labour Organisation and the Walk Free Foundation there are approximately 40.3 million people enslaved globally today¹, of these around 24.9 million people are in Forced Labour, making it the most prevalent type of slavery. Modern slavery is known to be prevalent in the fashion industry, especially at the raw material stage of production.

Modern slavery exists anywhere in the world and can affect people of any sex, age or race. It most commonly affects people who are vulnerable and at risk of being taken advantage of – such as someone living in poverty, or someone from a community that is discriminated against (for example migrant workers).

Ted has identified the following groups as those potentially vulnerable to the risk of modern slavery:



Ted Baker is committed to upholding and advocating internationally recognised human rights. We acknowledge our responsibility in protecting and respecting human rights as well as supporting transparency and integrity as a business. We are committed to working collaboratively and being proactive in resolving any challenges in our supply chain or direct operations.

¹ Global Estimates of Modern Slavery, 2017 https://www.ilo.org/global/publications/books/WCMS_575479/lang-en/index.htm

OUR BUSINESS



Ted Baker is a global lifestyle brand with controlled distribution through three main channels: retail (including e-commerce), wholesale and licensing (territorial and product). Ted Baker directly employs over 2,000 people worldwide including 542 based in our head office, The Ugly Brown Building, in London.

Retail (including outlet stores) is owned and managed by Ted Baker and we retain full oversight of labour practices for our employees and direct supply chain. Our wholesale trustees and territorial licensees are carefully selected partners who represent the Ted Baker brand within specific territories or channels.

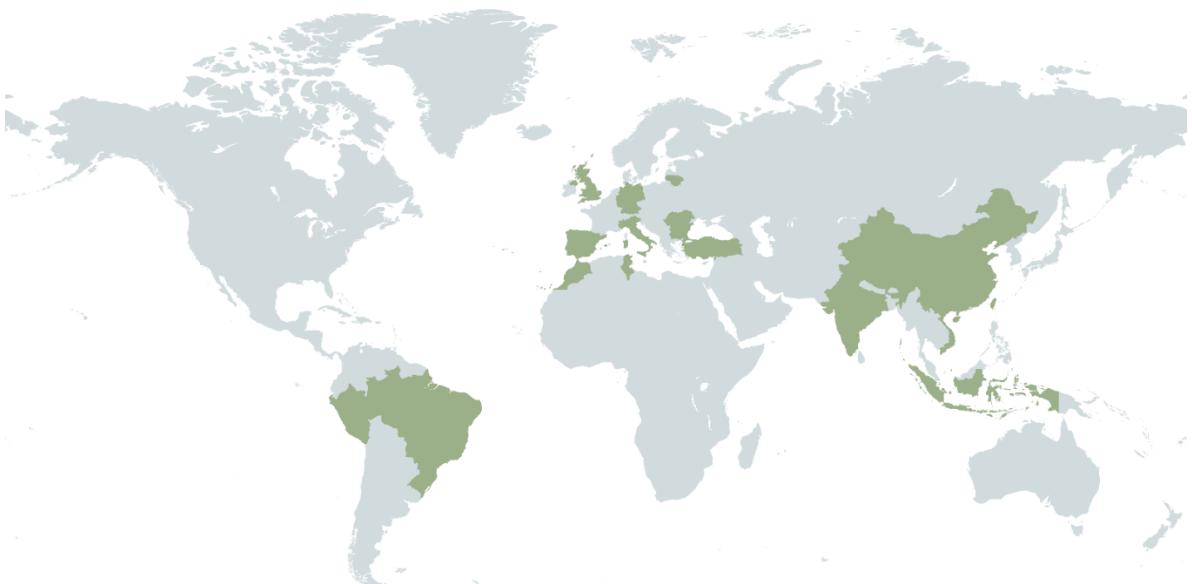
Our product licensees develop specialist products and are responsible for their supply chain. We have a joint venture partnership in China where we share responsibility of supply chain due diligence and follow the same process of approving suppliers as we do for our direct manufacturing. All such partners are subject to strict contractual conditions, including Ted's Ethical Code of Conduct.

At today's date, Ted Baker and its retail licensees have 341 stores and concessions worldwide, located in the UK, Europe, North America, US, Middle East, Africa, Asia and Australasia. Combined with our diverse supply base, this significantly complicates the threat of modern slavery within our operations and requires strategies that are tailored to the needs of each area of the business and territory in which it is based.

OUR SUPPLY CHAIN

We're committed to looking after those who create, make and wear our products. Our supply chain impacts the lives of thousands of people around the world, meaning we have to be proactive in our approach to advancing positive working conditions and protecting human rights.

Where are Ted's first tier factories?



Ted's top sourcing territories (based on the number of first tier factories) are: China, Turkey, India, UK and Portugal.

With respect to Ted's Tier 1 factories (where we make, and ship finished products):

165 finished goods factories	19 sourcing countries across the globe	40,000 workers in these direct factories	65% of these workers are women	7,500 are migrant workers (domestic and international)	100% have been audited and signed Ted's Ethical Code of Conduct
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Ted believes in working with like-minded partners who share a commitment to maintaining safe and fair labour practices and minimising environmental impact. It is very important to work together and continuously improve in everything that we do.

All our sourcing partners and suppliers agree to Ted's five minimum ethical and sustainability requirements (listed below) by signing up to Ted's Ethical Code of Conduct which outlines our standards on working conditions, business ethics, transparency, environmental stewardship, use of chemicals and animal welfare. Ted's Ethics & Sustainability team work closely with Ted's Sourcing, Production and Buying departments to ensure that all potential new suppliers go through a rigorous screening process.

Once onboarded we see the commitment to maintaining high ethics and sustainability standards as a partnership, where we can grow and improve together to continuously progress towards better ways of working and responsible practices.

Ted's five minimum ethical and sustainability requirements

1. Agree and adhere to Ted's Ethical Code of Conduct, Animal Welfare and Responsible Materials Policy, and Vulnerable Workers Policy.
2. Provide a third party ethical audit or certification every 12 months for production sites. Acceptable standards are; SA8000 & SMETA².
3. Address any Non-Compliances found in the audit in a timely and open manner. Work on monitoring, remediation or building capacity, as requested³.
4. Provide information or certification on sustainable materials and environmental performance, as requested.
5. Be transparent with us⁴ and agree to factory disclosure for publication.

² SMETA audits can be either 2-pillar (labour and health and safety) or 4-pillar (labour, health and safety, environment and business ethics).

³ All tanneries must complete a Tannery Profile Form and certain high risk countries are subject to additional requirements.

⁴ Any Subcontractors and/or Homeworker information must be disclosed.

POLICIES

Ted's Ethical Code of Conduct is the cornerstone of our ethical values and sets out the minimum standards for safe, fair and decent work demanded from our suppliers. Ted's Ethical Code of Conduct is based on international conventions such as The Ethical Trading Initiative Base Code, the Core Conventions of the International Labour Organisation, and the United Nations Universal Declaration of Human Rights and the Acts.

We have revised our Ethical Code of Conduct to ensure that it remains effective in our growing business and to reflect regulation changes as well as strengthen standards on health & safety and regular employment.

We have also published our Vulnerable Workers Policy to recognise that whilst Ted wants to ensure that all workers are treated fairly, we know that some workers are at greater risk of exploitation, and potentially of modern slavery. This policy sets the standard for protecting the most vulnerable workers in Ted's supply chain, including;

- Migrant Workers;
- Homeworkers;
- Child Labour and Young Workers (including our Child Labour Remediation Process);
- Temporary, Casual, Agency or Short Term Contracts;
- Other Vulnerable Workers (including women, indigenous people, persons with disabilities).

TED'S ETHICAL CODE OF CONDUCT INCLUDES STANDARDS ON:

Worker's rights and labour standards covering core principles for fair, dignified and safe work;

Environmental protection and management;

Responsible chemical management;

Animal welfare;

Business integrity, anti-bribery and corruption;

Transparency and Remediation

Over the coming year the Ethics & Sustainability team are looking to develop and publish further policies, including our Subcontracting Policy. It is essential that we know where Ted Baker goods are being made and that any intended subcontractors are declared. While we have already fully mapped our subcontractors, we want to ensure they are continuously monitored to enable visibility within our supply chain and mitigate any potential risk to those working within it.

Ted's Remediation Policy is also under review; this policy looks at the monitoring process of our factories to ensure they are meeting the requirements outlined within Ted's Ethical Code of Conduct and the steps Ted will take to assist companies in making improvements in areas in which have been identified as non-compliant. The policy also includes the actions to be taken in the event that the supplier is not willing to demonstrate improvement.

Ted has an established process for reviewing and approving sourcing from new territories to ensure that any potential countries are vetted for ethical risks. We have prohibited sourcing of goods for resale from a number of territories based on documented evidence including; extremely repressive regimes, conflict, widespread corruption, international sanctions, security, modern slavery, or other human rights risks.

DUE DILIGENCE & RISK ASSESSMENT

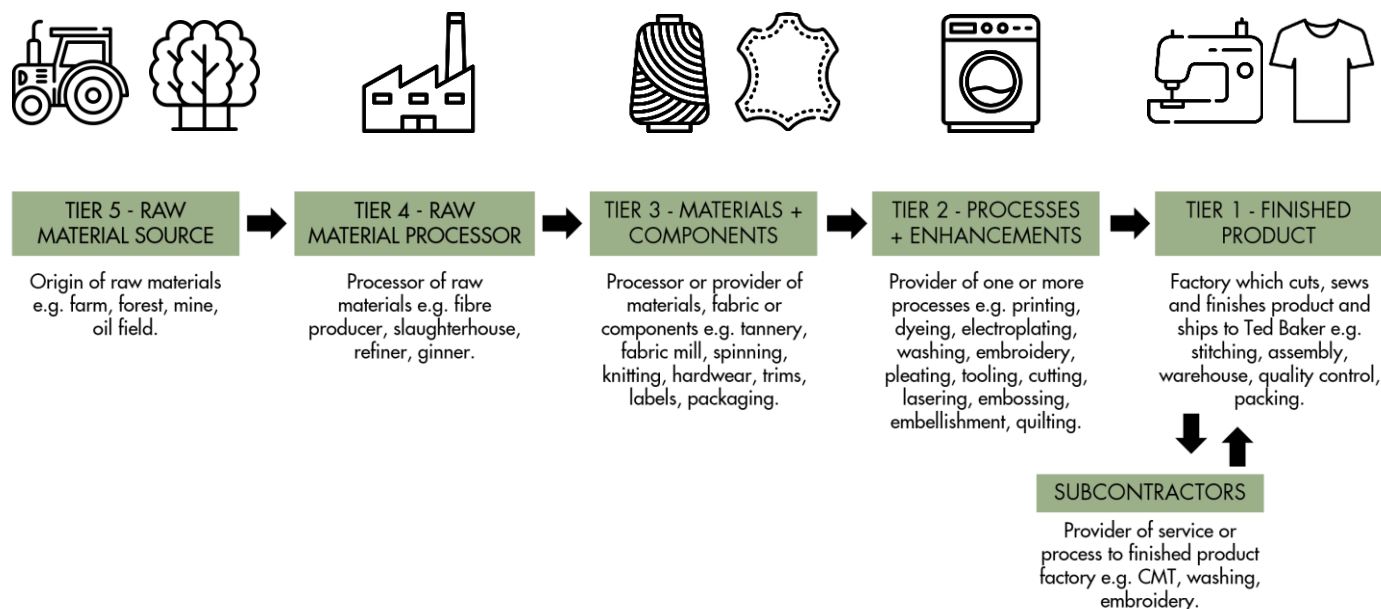
We continue to monitor and develop our practices in respect to combatting modern slavery and human trafficking, particularly focusing on the areas of the supply chain that may pose a higher risk of forced labour. Over the past 2 years we have focused on strengthening and building our ethical foundations. In 2021 we have focussed on mapping our supply chain, starting with sub-

contractors, home workers and our mills, specifically cotton mills. Whilst we still saw the impacts of the pandemic in 2021, with continued lockdowns across our sourcing countries, we worked closely with our suppliers to ensure we were giving them time to re-align themselves and as a result we extended our auditing time frame to ease the pressure on our suppliers. We improved our internal processes for ethical approvals and factory onboarding to be more agile and efficient while maintaining our rigorous standards, and communicated these across the Production, Design, Buying and Sourcing departments. The Ethics & Sustainability team implemented a stricter standard of grading third party audits to ensure continuity and standardisation which will help our data be more reliable and easier to analyse.

Our Tier 1 and licenced factory list is updated every six months which is publicly available from both our website and the Open Apparel Registry's (OAR) website. In 2021 the OAR map became imbedded into our website. Within the map we are also looking to include further data points; this will include product type and process, number of workers and parent company.

All Ted's Tier 1 suppliers are audited by independent third parties against Ted's Ethical Code of Conduct. These audits are all reviewed by the Ethics & Sustainability team who work directly across the business and with suppliers to continually improve standards. Unfortunately, travel has continued to be limited because of Covid-19 and when international travel is not restricted, members of the Ethics & Sustainability and Production teams regularly visit factories to ensure the standards of our Ethical Code of Conduct are upheld and recommend improvements. Throughout the global pandemic we have not been able to visit our factories but instead have kept in contact via video calls and emails.

To better understand the risk across our supply chain we have defined the tiers which broadly shape how a Ted Baker product is made:



Although there is no consistent definition of the supply chain tiers in the apparel and textile industry we have tried to benchmark our tiering structure with other brands and stakeholders to allow for more transparent communication.

Working With Others

In May 2021 Ted became a member of SEDEX¹ who work with businesses to improve working conditions and responsible sourcing practices within supply chains. This membership brings us many benefits such as the ability to centralise the way we collate information from our audits, providing us with greater insights into systemic issues.

In December 2021 we participated in a worker's voice pilot with &Wider and SEDEX, the Direct Worker Reporting (DWP) scheme. The aim of this pilot was to enhance understanding and detection any of issues within a factory, prior to an audit. Workers were asked a series of questions which they could answer anonymously from their personal phones. While an audit is an extremely useful tool in understanding the risks within a factory, understanding the concerns perceived by workers helped expand on our understanding of the conditions within a factory. We will be looking into continuing with a worker voice project over the coming years as it is an excellent tool to help improve the conditions for the workers and identify issues which may not be easily observed during an audit.

¹ SEDEX is one of the world's leading ethical trade membership organisations, working with businesses to improve working conditions in global supply chains

Understanding and mitigating territory risks

To ensure we are effectively managing our risks we assess the most common challenges in the sourcing territories we work in. We have highlighted two key issues we face in our top sourcing territories and how we are addressing them;

Excessive working hours Country: China	Use of multiple subcontractors Country: Turkey
<ul style="list-style-type: none">- Excessive overtime is one of the biggest problems facing workers in the fashion industry.- The pressure to work longer hours can stem from insufficient order planning, shorter lead times, last minute changes and workers being keen to receive overtime premium wages.- To help address this issue we advise and give guidance to factories on how to create capacity plans and the benefits of working reasonable hours to the workers and production quality.- Those who struggle with excessive working hours are encouraged or required to use Ted's monitoring tool to help reduce excessive overtime.	<ul style="list-style-type: none">- The use of subcontractors is widespread in Turkey, particularly for smaller factories.- We have mapped the Subcontractors that our factories use and received a third-party ethical audit for all sites who perform cutting, stitching and finishing.- A revised Subcontractor Policy is under review by The Ethics & Sustainability team for publishing in 2022.

The Ethics & Sustainability team monitor all ongoing global claims of widespread forced labour within the textile industry. For countries we source in which have such claims, we have been conducting a deep dive analysis of all manufacturing units and a mapping exercise across each tier involved in the production process, to ensure we are acting with upmost due diligence for the protection of workers. Through this, we have not found any evidence of forced labour in our supply chain. However, we continue to work closely with our trusted suppliers and third-party partners, including the Ethical Trading Initiative, to ensure we are taking appropriate action, and communicating openly with our stakeholders.



Risks of modern slavery outside our product supply chain

Beyond the due diligence we conduct in our product supply chain we also ensure that high risk areas of the business are represented in a cross-functional committee, the Modern Slavery Act Working Group. This working group was established prior to the publication of Ted Baker's first statement to critically assess and address Ted Baker's objectives. The group includes a senior representative from each relevant department. The function of the working group will continue to develop and evolve with the changing needs of the business as we understand that meaningful impact can only be achieved through continued and sustained improvement.

Our human resources department, known as the People Team, continues to be an area of particular focus. To meet the needs of the business, employees are sourced through our internal recruitment processes as well as recruitment agents. In order to retain insight into the employment practices of recruitment agents, the People Team requires every agent to complete a due diligence assessment that will flag any factors that have significant risk attached.

We work closely with our distribution centre and our partners at XPO Logistics in Derby, a potentially high-risk area, to ensure standards set out in our policies are upheld in practice.

Impact of COVID-19 on our due diligence

COVID-19 massively disrupted the fashion industry, as consumers changed buying habits and increasingly worked from home. This shift catalysed the business' expansion beyond formal wear into active, leisure and casual wear to meet changing consumer demand. The changing product range has led the business to source different types of fabric required for these new lines, which meant looking into alternative territories to source from, such as Bangladesh. Due to the high risks associated with Bangladesh, we wanted to ensure we were putting in clear measures to ensure the protection of workers. In December 2021 Ted became a signatory of the Accord of Fire and Building Safety in Bangladesh which was set up following the tragic Rana Plaza building collapse. Its aim is to ensure a safe working environment for workers within the garment industry through factory inspections, remediation and training.



Unfortunately, our normal due diligence has continued to be interrupted, either due to further national lockdowns, business closures, travel or visitor restrictions. We have continued to ensure that we understand the changing landscape in our sourcing locations by conducting desktop research and consulting with other brands and worker rights experts. Whilst we have seen these disruptions impact our annual ethical audit programme, we still have 100% of our factories with a third-party ethical audit in the past 2 years.

RAISING AWARENESS & MODERN SLAVERY TRAINING

We continue to train and engage our internal teams on the indicators and risks of modern slavery. Internal training programmes have already been implemented to raise awareness of the risk of modern slavery within our business. We have focussed on training internal stakeholders who have direct contact with our suppliers.

Previously our modern slavery training was completed by our Buying, Merchandising, Sourcing, Design and Production teams. However this has now been rolled out to all employees at Ted as a mandatory training. The training is easily accessible to all Ted employees on our internal learning platform called Thrive. It has also been included as part of our onboarding process for any new employee to complete.

A very important part of eliminating modern slavery is ensuring suppliers fully understand what constitutes modern slavery and the warning signs. Our focus with external stakeholders has been to raise awareness of modern slavery, including the continued distribution of our Code and supporting materials to our suppliers and licensees. We also encourage our partner to discuss these risks with their own Suppliers.

INDICATORS OF MODERN SLAVERY:

Physical appearance (such as malnourishment, frightened, withdrawn);

Few or no personal effects;

Isolation and control (rarely left alone, appear to be someone's influence);

PERFORMANCE & PROGRESS

We can confirm that no reports or findings of any type of Modern Slavery (including child labour) within our supply chain have been received to date.

Our key performance indicators for the previous financial year were to:

2020/2021 Commitments	Action Taken
Continue to ensure that core labour standards are respected and that we are performing enhanced risk analysis and meaningful due diligence.	We have further developed our risk analysis to understand core risks.
Expand our work on building capability in our factories and continue to collaborate with workers' rights specialists to ensure that key factories and their subcontractors not only understand our Ethical Code of Conduct but have the skills and tools to implement it.	Subcontractor mapping process was conducted whereby all suppliers were asked to complete a self-assessment questionnaire and disclose all subcontracting units, including homeworkers. Analysis of this subcontracting unit data has been conducted, focusing on product type and country.
Widen education across business areas, by integrating mandatory training on to our new online global Learning Experience Platform, Thrive, which will be required by all employees, including our board of directors.	Mandatory training was launched in summer 2021 through the Ted Baker online learning platform, Thrive. Additional homeworker training has also been provided to the Production team.
Continue to train Production teams who visit suppliers to spot the signs of slavery inside factories and understand the country risk.	There has been no travel across the business in 2021. However, we will continue to train all production teams in readiness of any supplier visits in 2022.
Fully map un-nominated mills used to produce Ted's fabrics and suppliers who provide components, hardware and trims.	We have started this mapping process, which will continue in to 2022.

<p>Create a forced labour remediation process for our suppliers to ensure we have an action plan if modern slavery was discovered in our supply chain.</p>	<p>We focused on homeworkers within our supply chain. The Ethics & Sustainability team ensure that potential risk of modern slavery is included in new territory reviews, so all departments are aware of the perceived ethical challenges of sourcing in any new country.</p>
<p>Collaborate with external stakeholders and work across Ted's business to closely monitor and investigate widespread modern slavery claims in key sourcing countries.</p>	<p>We engaged with the Homeworkers Worldwide¹ to produce guidance for our internal teams.</p> <p>& Wider worker voice pilot sought to uncover any unusual activity which wouldn't ordinarily be picked up in audit, such as perceived age of workers, verse documented age.</p>
<p>Develop internal ethical governance structure with senior leadership accountability.</p>	<p>In 2021 we joined the Ted Baker Risk Committee, made up of senior stakeholders across the business. This committee assesses risk across all operations, with ethics now being a core pillar in these discussions</p>
<p>Further collaborate with industry leaders and peers to strengthen compliance in modern slavery.</p>	<p>We have been non contributory members of the AGM PPP. We also engaged with peer brands to understand what steps they had taken.</p>

¹ Homeworkers Worldwide is a 3rd party association who supports Homeworkers in their struggle for Rights, Recognition and Respect.

FUTURE PLANS

At Ted, we are continuously working towards deepening our insight into the working practices of our supply chain and internal operations to strengthen our approach towards addressing modern slavery and human trafficking. We recognise the challenges that the global pandemic has had on our supply chain and due diligence, in the post pandemic world we hope to build back better.

We have continued to deliver on our KPIs and will build upon these in the year ahead. We will further focus on strengthening our due diligence and establishing greater mechanisms to protect worker's welfare. Our processes will continue to evolve and improve as our ethical trade programme develops.

In FY22/23 we intend to:

Responsible Sourcing	Strong Policy	Enhancing Traceability
<ul style="list-style-type: none">- Pilot a worker voice programme	<ul style="list-style-type: none">- Translate our Ethical Code of Conduct into multiple languages so they are easily understood by our key suppliers	<ul style="list-style-type: none">- Mapping of un-nominated mills for key products
<ul style="list-style-type: none">- Continue to train Production teams who visit suppliers to spot the signs of slavery inside factories and understand the country risk	<ul style="list-style-type: none">- Finalise and publish our Responsible Exit Policy	<ul style="list-style-type: none">- Include further factory data points on our published map, including information on number of workers and type of product and processes
<ul style="list-style-type: none">- Roll out a responsible purchasing practices training for all Production team members	<ul style="list-style-type: none">- Extend our ethical audit policy to include our nominated hardware and components factories.	<ul style="list-style-type: none">- Requesting all Tier 1 supplies to be SEDEX members.
<ul style="list-style-type: none">- Refining territory toolkits, making them more accessible for training		

Ted's Ethical Code of Conduct and our key policies form the core of our strategy to tackle modern slavery and can be found on our [website](#).

Any queries regarding this statement should be directed to Ethical.Sustainable@TedBaker.com

This statement is approved and signed by the Board of Directors:



Rachel Osborne
Chief Executive Officer, Ted Baker group (Ted Baker Plc and its subsidiaries).
23 June 2022