

Modern Slavery Statement

INTRODUCTION

This statement sets out the steps that we have taken so far to mitigate the risk of modern slavery in our business and supply chains and outlines the steps we intend to take in the coming year.

Modern slavery is a crime and a violation of fundamental human rights. We are committed to acting ethically and with integrity in all our business dealings and relationships and to implementing and enforcing effective systems and controls to ensure modern slavery is not taking place anywhere in our own business or in any of our supply chains.

We recognise that the prevention of modern slavery is a complex issue that cannot be tackled simply through affirmations or documentation. We will be working to implement a holistic approach to the problem; through education, influence and engagement. We are seeking to partner with, and learn from, other businesses and organisations who have greater experience in managing these issues in order to optimise our ability to drive real change.

ABOUT LIBERTY

Liberty is a leading luxury retailer and fabric design house. This statement is made on behalf of Liberty Zeta Limited and its subsidiaries. Liberty Zeta Limited is the parent company of the Liberty Group, which includes, among others, Liberty Retail Limited, Liberty Fabric Limited and Liberty of London Limited.

LIBERTY'S BUSINESS AND SUPPLY CHAINS

Our business is based in the UK with a head office in London. The business is organised around three key business units:

1. Liberty Fabric, which is the home of our in-house fabric design studio and archive, and operates Liberty's global wholesale fabric business, including a wholly-owned fabric printing mill in Italy;
2. Liberty Retail, which operates our flagship store in London and our online store at www.libertylondon.com - these offer for sale over a thousand third party brands alongside our own Liberty London products; and
3. Liberty London, which designs and wholesales Liberty's own-brand 'Liberty London' product lines.

Liberty Fabric sources raw materials from Italy, China, India and Romania and then prepares and prints the fabric both in Liberty's own printing mill in Italy and in other locations in Italy and China.

Liberty's retail offering is famed for its original, curated edit of brands across multiple product categories, including beauty, accessories, ready to wear, homeware and food. This supply chain, therefore, encompasses a broad range of third party brand suppliers across different sectors and in different regions of the world. Liberty partners with suppliers on both an "own bought" and concession basis in the retail sector.

Liberty London product is designed in-house in the UK and manufactured by third party vendors in the UK and other EU member states, as well as Turkey, Tunisia, China and the Republic of Korea.

POLICIES

At Liberty we believe in treating people with integrity and respect; enabling everyone to work in safe and decent conditions and earn fair rates of pay. This applies to our employees but also to any businesses that work with us. We are renewing our commitment to this matter, with particular emphasis on our supply chain. We will focus our efforts on participating in the growing movement to eradicate modern slavery and we expect our partners to work with us on this – searching deep into our supply chains to detect and fix any potential violations.

We operate a number of internal policies that seek to ensure that we are conducting business in an ethical and transparent manner. These include:

1. *Anti-slavery and Human Trafficking Policy* – this sets out Liberty's position on modern slavery; it explains what

the business is doing to try to address the issue and what employees should do if they have any concerns about modern slavery in the business or its supply chains;

2. *Recruitment Policy* – it is Liberty’s policy to conduct eligibility to work in the UK checks for all employees to seek to safeguard against human trafficking or individuals being forced to work against their will;
3. *Whistleblowing Policy* – this ensures that all employees know they can raise concerns about how colleagues are being treated, or practices within our business or supply chain, without fear of reprisals. All reports will be fully investigated and appropriate remedial actions taken.

In addition, the business has identified the need for a Supplier Code of Conduct that sets out the standards that we expect of our suppliers and the measures that we will take to ensure that these are being met.

We recognise that, beyond certifications and reassurances, we need an ongoing dialogue, a process of monitoring and an education program to ensure that we and our suppliers adopt the cause personally - which will be more powerful and effective than top-down scrutiny alone.

ASSESSING RISK

We intend to take a risk-based approach to managing modern slavery in our supply chains. We recognise that two key sectors for our business, retail and the production of cotton, are areas that carry an inherently increased risk of modern slavery and we, therefore, need to be pro-active and vigilant in tackling the issue.

Boycotts of specific goods or countries can undermine already poor economies and worsen the human rights situation for individuals involved. As a general rule, therefore, we do not endorse such action. However, in light of the state-sponsored forced labour in cotton production in Uzbekistan and Turkmenistan, and in line with the recommendations of Anti-Slavery International, we do not knowingly use any Uzbek or Turkmen cotton in our products.

MANAGING OUR SUPPLY CHAIN

The complexity of managing modern slavery in our supply chains demands a nuanced and multi-faceted response. We appreciate that there are no ‘easy wins’ and no substitute for sustained, local engagement with our partners. Notwithstanding that, we have set out below the initial, practical steps we have taken, or have committed to take, to begin to address the issue.

CONTRACTS AND CERTIFICATIONS

Our CEO has recently contacted each of the direct suppliers in our Fabric and Liberty London supply chains to raise awareness of the Modern Slavery Act and human rights. This letter affirms Liberty’s zero tolerance approach to human rights abuses, encourages suppliers to establish their own risk assessment processes and informs them that we will be periodically checking compliance with our standards.

We have also asked each of those suppliers to confirm to us the following points:

1. They comply with all applicable anti-slavery and human trafficking law, statutes and regulations in force from time to time and have taken steps to eradicate modern slavery within their business and supply chain;
2. They hold their own suppliers to account over modern slavery;
3. They do not use any Uzbek or Turkmen cotton in any of their products;
4. They comply with the Ethical Trading Initiative Base Code; and
5. They acknowledge that we could terminate our relationship with them if they are found to have any modern slavery in their own business or their supply chain.

In the coming year, we will amend our standard supplier terms to include obligations on suppliers to comply with the Modern Slavery Act, conduct regular modern slavery risk assessments within their own supply chains, implement appropriate controls to prevent modern slavery and notify Liberty immediately if they become aware of any modern slavery within their supply chains.

AUDITS

While we recognise the limitations of mainstream ethical audits, we believe that they nonetheless have a role to play

in mitigating the risk of modern slavery.

We intend to actively monitor our key Liberty London and Liberty Fabric suppliers through a combination of third party audits, in-house assessments and a programme of dialogue and education.

The frequency of our audits will depend on the level of risk of the relevant supplier, taking account of factors such as country risk, sector risk and past performance of that supplier. Suppliers will be required to provide us with full access to the site and relevant documentation and make available selected employees for confidential interviews.

REMEDIATION

In the event that any of our suppliers is found to be in breach of our policies on modern slavery we will seek to work with them in the first instance to address the root causes of the issue and change their behaviours. If we are not able to have a sufficiently positive impact on their practices, we will end our relationship with them.

ENGAGEMENT AND TRAINING

We believe that collaboration with others is critical to tackling modern slavery effectively. We have engaged with a number of businesses and other third parties who will be presenting to key Liberty team members on their experiences in dealing with these issues. We intend to explore further collaboration with other organisations where we see the opportunity to strengthen our understanding and approach.

We recognise that meaningful change cannot be achieved without the investment of significant time and resource. In addition to third party engagement, we are committed to upskilling and supplementing our teams where necessary to ensure that we have the appropriate capacity and expertise to address this issue effectively.

We have begun a process of training our key staff in modern slavery and human rights and intend to broaden this to the wider business in the coming year.

Our modern slavery project will be led by our CEO and supported by a team of employees from across the business including representatives from our Sourcing, Legal and Fabrics functions.

EFFECTIVENESS

In order to assess the effectiveness of the measures we have outlined, we will be developing key performance indicators, such as: (i) levels of staff training; (ii) the actions taken to strengthen supply chain auditing and verification; and (iii) the completion of investigations undertaken into any reports of modern slavery and remedial actions taken in response. These will be reported on in future modern slavery statements.

This statement is made in accordance with s.54 of the Modern Slavery Act 2015. As we strive to do more, we intend to review, update and re-publish this statement on an ongoing basis to reflect the progress we have made.

Signed by:



Adil Mehboob-Khan

CEO

Liberty Zeta Limited,

on behalf of the Liberty Group Date: 19 November 2018