

5.14 GYMSHARK SUPPLY CHAIN ANTI-SLAVERY AND HUMAN TRAFFICKING POLICY

PURPOSE

Modern Slavery is a crime and a violation of fundamental human rights. It takes various forms, such as slavery, servitude, forced and compulsory labour and human trafficking, all of which have in common the deprivation of a person's liberty by another in order to exploit them for personal or commercial gain.

This Policy seeks to ensure compliance with Modern slavery legislations viz. Anti-slavery and Human Trafficking UK Modern Slavery Act 2015, The California Transparency in Supply Chain Act and The Commonwealth Modern Slavery Act 2018.

STATEMENT

Gymshark are committed to acting ethically and with integrity in all business dealings and relationships and have a zero-tolerance approach to Modern Slavery. We are committed to ensuring Modern Slavery is not taking place in any part of our own business or in any part of our supply chain, through implementing and enforcing effective systems and controls, as well as ensuring transparency about our approach through our disclosure obligations required under the modern slavery legislations.

Gymshark expect the same high standards from all of our contractors, suppliers and other business partners and prohibits the use of forced, compulsory or trafficked labour, or anyone held in slavery or servitude, whether adults or children, and expects our suppliers to hold their own suppliers to the same high standards.

SCOPE

This Policy applies to all parts of your company, including any affiliates and sub-contractors, which are involved in the manufacture and/or supply of goods and/or services to Gymshark. You are responsible for the dissemination, adoption, and implementation of this Policy within your company and for ensuring that your company adopts its own policies and procedures in your supply chain, the standards adopted should be as a minimum, equivalent to those standards required by Gymshark.

REQUIREMENTS

Freedom of Employment

All workers shall have the right to enter employment voluntarily and freely, without the threat of a penalty.

Workers shall have the freedom to terminate employment by means of notice of reasonable length (in accordance with national law or collective agreement) at any time without penalty.

Employers shall not use means to restrict a worker's ability to terminate employment, for example by requiring deposits, withholding employee documentation, threats, or use of violence, imposing financial penalties or requiring payment of recruitment fees.

No Threat of Violence, Blackmail, Harassment & Intimidation

Employers shall not exact work or service from any person under the menace of any penalty. This includes the use or threat of physical or sexual violence to the employee or his family/dependents, or harassment.

No Coercion in Wage Payment, Debt Bondage or Bonded Labour

Wages shall be paid regularly, and paid directly to the worker in legal tender, or by cheque or money order where permitted by law, collective agreement or with the consent of the worker. Payment in the form of vouchers, coupons or promissory notes is prohibited.

Workers who earn wages calculated on a performance-related or piece-rate basis shall not earn less than the legally mandated minimum wage.

Payments “in kind” in the form of goods or services shall not be used to create a state of dependency of the worker on the employer. “In-kind” payments should only be partial to ensure that the worker is not totally deprived of cash remuneration and are permitted only if authorised by national law, regulation or collective agreement.

Workers shall not be held in debt bondage or forced to work for an employer in order to pay off an actually incurred or inherited debt.

No deductions from wages shall be made with the aim of indebting a worker and binding him or her to employment, and measures should be taken to limit wage deductions to prevent such conditions. Workers shall be informed of the conditions and extent of wage deductions, and only deductions authorised by national law, collective agreement or arbitration award shall be made.

Disciplinary Measures

Disciplinary measures should not include sanctions that result in an obligation to perform additional work further to contractual agreements.

Compulsory labour shall not be used to discipline workers or as punishment for participation in a strike.

No Compulsory Overtime

Workers shall not be forced to work overtime above the limits permitted in national law and collective agreements under the menace of a penalty, for example the threat of dismissal.

Work or service outside normal daily working hours shall not be imposed by exploiting a worker’s vulnerability under the menace of a penalty. For example, employers shall not set performance targets that result in an obligation to work beyond normal working hours because of the worker’s need to be able to earn the minimum wage.

Freedom of Movement

Coercion shall not be used to physically confine or imprison workers to the workplace or related premises, for example employer operated residences. Mandatory residence in employer operated residences shall not be made a condition of employment.

Skills Development & Vocational Training

Training opportunities provided to employees shall be undertaken voluntarily. Employers who provide such opportunities shall not unreasonably impose work or service as a means of recovering the costs associated with them.

Migration for Employment

Migrant workers, irrespective of their legal status, shall be treated fairly, and measures shall be taken to prevent abusive conditions and fraudulent practices that may lead to coercion and trafficking for labour exploitation.

Migrant workers shall benefit from conditions of work no less favourable than those available to local workers and shall have the right to enter and terminate employment (with reasonable notice in accordance with national law or collective agreement) voluntarily and freely, without the threat of a penalty.

Employers shall not threaten irregular migrant workers or their family members with denunciation to the authorities or otherwise coerce such workers into taking up or maintaining employment.

Recruitment of Migrant Workers

No fee or cost for recruitment shall be charged directly or indirectly, in whole or in part, to the worker. If an exception is made, it should be in the interest of the workers concerned, and after consulting the most representative organisations of employers and workers. All costs related to recruitment should be disclosed to the workers.

Further details of requirements and expectations can be found in the Gymshark Migrant Worker Policy.

Document Retention

Employers shall not retain personal documents for the purpose of binding workers to employment.

Practices such as confiscating or withholding worker identity documents or other valuable items (e.g. work permits and travel documentation) are prohibited. However, if requested by workers, employers may provide secure storage for such documents. Workers must then be free to access them at any time upon request.

Private Employment Agencies

Employers who engage private employment agencies to recruit members of their workforce shall take measures to:

Ensure that such agencies do not engage in fraudulent practices that place workers at risk of forced labour and trafficking for labour exploitation.

Prevent the abuse of workers contracted by such agencies, for example by ensuring that workers receive adequate protection in relation to wage related matters, working hours, overtime, and other working conditions.

To the greatest extent possible, ensure that fees or costs related to recruitment are not borne by workers but by the contracting company.

Use only those recruitment agencies that are licensed or certified by the competent authority.

Terms of Employment

Employers shall provide written contracts of employment in a language that workers can easily understand and that clearly indicate their rights and responsibilities with regard to payment of wages, working hours, valid grounds for termination and other issues related to preventing forced labour.

Worst Forms of Child Labour

Employers shall take immediate and effective measures to prevent and eliminate the engagement of children in the worst forms of child labour, including debt bondage, serfdom, forced or compulsory labour and all forms of slavery and practices similar to slavery, such as the sale and trafficking of children.

Employers who engage private employment agencies shall ensure that such agencies do not engage children in the worst forms of child labour as indicated above.

GYMSHARK COMMITS TO THE FOLLOWING:

Gymshark, upon receiving information or allegations of forced labour, modern slavery or human trafficking, will carefully and immediately begin an investigation in cooperation with local advisors and the source of the allegations where appropriate.

If an investigation concludes that, there is sufficient evidence of forced labour or modern slavery, we will approach the supplier involved and begin the corrective action process in cooperation with that supplier. We will also make sure the findings of our investigation are reported or notified in accordance with the relevant laws.

As far as possible, Gymshark will co-operate with the relevant authorities to ensure victims have the appropriate care and support.

REPORTING AND REMEDIATION

If forced or trafficked Labour is identified, or your company believes that forced labour may exist within your company or any part of the associated supply chain, your company commits to (where safe to do so) immediately remove the victim from the production area, or if working from home, stop the work. Such incidents should be immediately reported to the Gymshark Sustainability Team at ethicalteam@gymshark.com.

Gymshark will work alongside your company to work out a personalised plan for remediation, the cost of which will be borne by your company. Whilst that remediation plan is in work, the worker

should not be formally dismissed, and wages are to continue to be paid. The worker must not be present at the site of work during this period.

Gymshark has established an escalation policy which will be used in the event that we or the relevant authorities assess that a factory, suppliers, agents, contractors, external consultants, third-party representatives or business partners, refuse to cooperate, makes little or no progress in remediation and/or demonstrates a lack of commitment to the process. This may result in Gymshark ending the commercial relationship with the supply chain partner.

We aim to encourage openness and will support anyone who raises genuine concerns in good faith under this policy, even if they turn out to be mistaken. We are committed to ensuring no one suffers any detrimental treatment as a result of reporting in good faith their suspicion that modern slavery of whatever form is or may be taking place in any part of business or in any of our supply chains.

RELATED INFORMATION

Further details of remediation process are set out at Anti-slavery and human trafficking policy and remediation guidance.

MONITORING AND REVIEW

The implementation of this policy will be monitored through Gymshark's Shared Fitness Programme.

This policy will be reviewed annually, and any changes communicated. Any comments or queries should be directed to the Head of Sustainability.