

# FAIR WAGES POLICY

## Definition of Fair Compensation

Fair compensation means providing wages that are legal, equitable, and sufficient to meet basic living standards. It includes:

- **Compliance with laws and standards:** All wages must meet or exceed applicable local minimum wage laws and relevant industry or collective bargaining standards.
- **Living wage consideration:** Where possible, wages should support a decent standard of living for workers and their families, taking into account local cost-of-living conditions.
- **Transparency:** Pay structures, wage rates, and any deductions must be clearly documented and communicated to workers in a timely and understandable manner.
- **Non-discrimination:** Compensation practices must be fair and free from discrimination based on gender, ethnicity, or any other legally protected characteristic.
- **Timely payment:** Workers must receive wages accurately, on time, and in full, without unlawful or unauthorised deductions.

Debenhams Group is committed to ensuring that all workers involved in the production of our garments are paid fair, timely, and legally compliant wages. Fair pay is a fundamental human right and a core part of responsible and ethical sourcing.

## Supplier Responsibilities

This policy applies to all suppliers and production sites across all tiers of the Debenhams Group's supply chain and must be implemented in full alignment with the Debenhams Group Code of Conduct and relevant local labour legislation.

As a Debenhams Group supplier, you are responsible for ensuring that all workers in your facilities (and those of your subcontractors or intermediaries) are paid in accordance with the following wage requirements:

### A. Minimum Compliance

- Wages must meet or exceed all local legal minimum wage requirements and applicable collective bargaining agreements.
- No unauthorised deductions or unlawful withholding of pay are permitted.
- Wages must be paid in full and on time.

### B. Overtime Compensation

- All overtime must be voluntary and compensated at a premium rate as legally required.

- Workers must receive clear explanations of how wages, bonuses, overtime, and deductions are calculated.

### **C. Transparent Payment Practices**

- Wages must be paid at consistent intervals (e.g. weekly or monthly).
- Payments must be made electronically into bank accounts controlled by the worker. Where this is not immediately feasible, cash or manual payments may be used only as a short-term interim measure and must be supported by a written payment receipt. The receipt must clearly state the worker's name, the payment period, the amount paid, the date of payment, and the method of payment. The receipt must be signed by both the worker and an authorised employer representative. A copy of the signed receipt must be provided to the worker, and the employer must retain a copy as an official payroll record in accordance with record-keeping requirements. Workers must receive a written or digital wage slip detailing all components of their pay.

### **D. Working Toward Living Wages**

- While legal minimum wage is the baseline, suppliers are expected to work toward wages that meet basic needs and allow for discretionary income.
- Debenhams Group encourages suppliers to participate in collaborative wage improvement initiatives and share data where needed to support progress..

### **E. Contracts for All Workers**

- All workers, including contractual and piece-rate workers, must be provided with formal written contracts or agreements outlining their terms of employment.
- These contracts should ensure transparency and help guarantee that workers can consistently earn at least the legal minimum wage, even during periods of low production or unforeseen operational disruptions.
- Suppliers must maintain clear documentation of these agreements and make them accessible for review upon request.

### **Equal Pay and Non-Discrimination**

Wages must be based on objective criteria related to job function. The following are strictly prohibited:

- Discrimination in pay based on gender, race, caste, age, religion, sexual orientation, or any other protected status.
- Unequal pay for equal work or equivalent roles.

## **Grievance and Remediation**

Suppliers must:

- Provide workers with confidential, accessible grievance mechanisms to report wage-related concerns.
- Ensure workers are protected from retaliation when raising complaints.
- Promptly address and fully compensate any confirmed wage underpayments.
- Cooperate with Debenhams Group to develop and implement corrective actions.

## **Monitoring and Compliance**

Compliance with this policy will be monitored through:

- Independent and unannounced audits
- Worker interviews
- Review of payroll records and timekeeping systems

Consequences of non-compliance may include:

- Formal warnings and closer monitoring
- Suspension of production orders
- Termination of the supplier relationship in cases of repeated or serious violations

## **Continuous Improvement**

Debenhams group recognises that fair wage implementation requires a collaborative and long-term approach. We are committed to:

- Conducting joint wage assessments with suppliers
- Supporting productivity and efficiency initiatives that benefit workers
- Participating in industry-wide efforts to improve wage transparency and sustainability