

RESPONSIBLE PURCHASING PRACTICES

Our Group responsible purchasing practices (RPPs) are a set of principles which we are comfortable operating our business by. The aim of the RPPs is to support our teams in doing the right thing, and ensuring we develop and maintain a commercial and ethically compliant buying and merchandising model.

RPP1. WE ARE FAIR

We are committed to having fair and ethical purchasing agreements with our suppliers and have an open and transparent way of working with our suppliers.

GOAL 1: We understand what a fair price is for garments and commit to paying this

- Our buyers know how to cost a garment
- We encourage our teams to question costings and share knowledge across brands to ensure the group benefit from the best service and prices
- We encourage cross costing to enable buyers to commercially benchmark supplier prices that have been quoted

GOAL 2: Cancellations terms and penalties applied are reasonable and proportionate

- Cancellation terms and penalties are clear, well communicated, fair and are aligned across our brands
- Our people understand and apply the guidelines on cancellations fairly and consistently
- When penalties might be applied is clear and well communicated to suppliers should this occur
- Buyers understand there are sometimes delays which are out of the supplier's control and do not penalise them for it. They maintain close contact with suppliers so they are aware of any issues as early as possible so they can take steps to mitigate any impact

GOAL 3: Our teams understand what is possible and reasonable to expect from a supplier

- Our teams understand the impact of the decisions they make and what they ask of our suppliers
- We are committed to agreeing realistic time-scales for our orders We are reasonable and rational with regards to lead times and do not force a supplier to commit to unachievable time-line
- In events where plans (supplier or buyer) change and orders need to change, all parties collaborate to ensure the outcome is acceptable

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RPP 2. WE ARE COMMITTED TO WORKING WITH AN ETHICALLY COMPLIANT SUPPLIER BASE

We are fully invested in our supply base and our sourcing and ethical compliance team will maintain an ethically compliant supply chain. Our buyers and merchandisers are committed to working with an ethical supply chain.

GOAL 1: All suppliers and Buyers know our standards and requirements

- The new supplier on-boarding journey is implemented and embedded in the business to ensure suppliers meet our ethical and sustainability standards
- Our supplier code of conduct is clear and well communicated
- All our buyers undertake relevant training including anti-bribery training

GOAL 2: We measure our suppliers against our standards and take action where required

- Our teams understand the standards required from our suppliers and are able to spot/raise red flags where required and have a common method to flag any concerns they may have about a supplier
- We have a comprehensive plan in place for independent factory/ supplier audits and have a clear approach documented that outlines the frequency of audits and audit triggers. Our Audit and Compliance process ensures suppliers maintain our code of conduct
- We have supplier scorecards for all of our suppliers which we use to highlight and review business by brand, and supplier ethical and product compliance standards
- We will mandate our suppliers to conduct independent third-party social compliance audit

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RPP 3. WE COMMUNICATE WITH CLARITY AND FREQUENCY

Communication, clarity, context, and consistency across our internal teams are the key to ensure that we are delivering our responsible purchasing practices.

GOAL 1: All suppliers and Buyers know our standards and requirements

- We commit to ensuring our RPPs are communicated clearly and frequently and are embedded within our internal teams
- Directors/ HO cascade our RPPs to teams and the RPPs are reflected clearly in all brand mission statements and are at the heart of everything that we do and every decision that we make

GOAL 2: All suppliers and Buyers know our standards and requirements

- Our management teams understand what good communication looks like and take steps to cascade messages to their teams
- We have regular touch-points and updates that touch every level
- Teams regularly use the supplier dashboard/scorecard

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RPP4. WE ARE TRANSPARENT WITH OUR SUPPLIER BASE

Our sourcing strategy is an integral part of supporting the overall - without suppliers we have no product and we should see them as an extension of our teams.

Goal 1: We are committed to driving closer strategic partnerships with our suppliers, where required, to drive out better efficiencies for both parties

- Through supplier conferences we share our boohoo group sourcing strategies
- Where appropriate we will plan production capacity with our suppliers
- When commercially beneficial we commit to fabric to improve pace and agility and to further our sustainability
- When commercially beneficial we commit to planning core lines to allow supplier to plan forward production
- If we don't see a supplier as a long term partner, we have given them feedback and plans to disengage if appropriate
- Sourcing team ensure that all brands are aware of any individual supplier conversations going on that affects brands

Goal 2: Sourcing and buying teams review individual supplier performance at brand level in conjunction with the Sourcing, Compliance and Sustainability team we review our supplier quarterly using the supplier scorecard

- At brand level, we review our supplier performance quarterly using the same KPI's
- HOB/ Buyers feedback to suppliers on their performance and we support our suppliers to respond to that feedback with methods to improve e.g. better fabric sourcing, more fashion innovation

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RPP5. WE ARE COMMITTED TO OFFERING MORE SUSTAINABLE PRODUCTS

As a responsible retailer we want to work with trusted suppliers to reduce the environmental impact of the products that we sell. We do this through strong processes, collaborations and innovation.

Goal 1: Sourcing more sustainable materials is central to our product strategy

- We have clear goals on more sustainable materials as a brand and across the group
- We have clear and consistent guidelines on what makes a product more sustainable
- Sustainability is a core part of the buying process
- There is a clear list of suppliers who can source and evidence more sustainable materials
- There is consistent customer communication on our sustainability strategy .
- We have nominated fabric suppliers access more sustainable fabrics at a good price and simplify certification process
- We have measures in place to track performance

Goal 2: We will minimise the packaging and labelling we use and make it consistent and more sustainable

- Clear goals on sustainable packaging and labelling across the group
- Ensure suppliers use nominated packaging and labelling suppliers with transparent costing and more sustainable materials as standard

Goal 3: We are committed to more sustainable design

- We have guidelines for buying and design teams on more sustainable design principles to minimise waste, improve durability and recyclability
- We pilot initiatives with trusted suppliers
- We learn from innovations and roll out more broadly

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RPP6. WE HAVE THE RIGHT TOOLS AND KNOWLEDGE TO DO OUR JOB

To educate our product teams with the most relevant training and tools to purchase responsibly and ethically

Goal 1: Our teams have the right tools and knowledge to do their jobs

- A handbook is in place for each brand which details the responsibilities for each role, the systems and processes they need to deliver against and the training they will undertake to be successful in their role
- There is an ongoing training programme in place to support our teams in understanding the skills, knowledge and behaviours required to deliver against the RPP's and develop a deeper understanding of the 'why' for A4C
- We establish gaps in knowledge and skills and take steps to address them
- We assess and record completion of training to produce an accurate audit trail of training
- We have a blended solution for delivering training that is accessible to all team members with relevance to their role
- We have a clear on-boarding process for new starters and ensure they have access to the tools and training required for success
- We have clearly defined KPIs/smart objectives for what good looks like

Goal 2: We support our suppliers in their knowledge and training

- We support suppliers with changes and advances in technology/ production by identifying opportunities to share best practice, information and training opportunities . We use Thurmaston Lane to support our UK suppliers with training and development
- We explore whether we can utilise Debenhams Group apprenticeship levy to support the development of our suppliers