

MODERN SLAVERY STATEMENT 2018

This statement is published in accordance with section 54(1) of the Modern Slavery Act 2015. It sets out the steps that YOOX NET-A-PORTER GROUP has taken, and continues to take, to ensure that modern slavery and human trafficking is not taking place within our business and supply chain.

This statement applies to all companies within the YOOX NET-A-PORTER GROUP. It constitutes YOOX NET-A-PORTER GROUP's slavery and human trafficking statement for the financial year ending 31 March 2019.

About YOOX NET-A-PORTER GROUP

YOOX NET-A-PORTER GROUP is an online luxury fashion retailer. We operate online stores, including 'online flagship stores' which are based on relationships with leading fashion and luxury brands.

We deliver luxury fashion goods to more than 180 countries around the world. We employ 5,046 employees in offices and distribution centres in the United States, Europe, the Middle East, Japan, China and Hong Kong. In our business operations we engage with approximately 4,500 suppliers. Since June 2018, the Group has been subject to the management and coordination of Compagnie Financière Richemont S.A.

Our Approach

YOOX NET-A-PORTER GROUP has a zero tolerance approach to any form of modern slavery. We are a signatory to the United Nations Global Compact. This signifies our commitment to putting effective systems and controls in place to safeguard against any form of modern slavery within our business and our supply chain.

In the YOOX NET-A-PORTER GROUP 'Ways of Working' instruction document, we make it clear to all our employees, and in respect of our business dealings, that our commitment is to embrace, support and respect human rights, and ensure that we are not complicit in human rights abuses.

As an employer we undertake to comply with the legislation on employment and health and safety at work in the countries where we have a business presence. We are committed to paying all our employees appropriate salaries, and at least in accordance with national legislation in each country where we operate.

Our Supply Chain

Our standard procurement processes include checks and reviews designed to ensure that our suppliers have sufficient capability, capacity and are in agreement with YOOX NET-A-PORTER

GROUP conditions. This includes checking supplier certification with the Social Accountability standard (SA8000) and its performance criteria based on the principles of international human rights as described in International Labour Organization (ILO) conventions.

We also require all our suppliers to agree to abide by the terms of the YOOX NET-A-PORTER GROUP Code of Conduct for Suppliers. These terms include:

- Suppliers should not use any form of forced, bonded, indentured, or prison labour, and not engage in any other forms of compulsory labour, or any other forms of slavery or human trafficking. All employment must be on a voluntary basis and workers should be free to terminate their employment at any time with reasonable notice.
- Suppliers must pay a fair remuneration for both men and women workers, for work of equal value in accordance with applicable local laws. Workers must receive wages and benefits that at a minimum meet all applicable laws.
- Suppliers must comply with local laws regarding minimum wages, standard working hours and employee benefits. Suppliers should not delay, withhold or defer wages legally due to its employees, outside of industry standards. Overtime hours will be voluntary and fully compensated at regular or premium rates, according to local legal requirements.
- Suppliers must ensure that workers are at least the minimum age for employment in that country or the age for completing compulsory education in that country whichever is the higher, as permitted by ILO Minimum Age Convention. Young persons should be at least 16, except if allowed by local law and such exception is consistent with ILO guidelines.
- Suppliers must ensure that work conditions in their supply chain, of both goods and services, are safe, that workers are treated with respect and dignity, that manufacturing and connected processes are ethically and environmentally responsible and that the conduct of its business is based on principles of integrity, honesty and fairness.
- YOOX NET-A-PORTER GROUP's suppliers, and all third parties working with or for YOOX NET-A-PORTER GROUP, are obligated, in all of their activities, to operate in full compliance with the laws, rules and regulations of the countries in which they operate.

Policies

The Group recognises that it has a responsibility to continuously integrate and upgrade the policies and controls it has in place to safeguard against any form of slavery, servitude, human trafficking and forced labour taking place within the business or the supply chain.

As well as meeting high quality standards in supply chain management, we are committed to ensuring that: working conditions in our supply chains are safe; workers are treated with respect and dignity; manufacturing processes are ethically and environmentally responsible; and the conduct of our business is based on principles of integrity, honesty and fairness.

Our Whistleblowing Policy deals with all types of concerns regarding suspected or alleged violations by YOOX NET-A-PORTER GROUP's management, members of corporate bodies, and employees or third parties. It allows all aforementioned recipients an opportunity to

anonymously report any suspected wrongdoings or dangers at work, which can provide evidence leading to appropriate remediation.

To comply with Social Accountability standard (SA8000), we have prepared and disseminated benchmark procedures, which include 'Procedure SA8000 - Remedy for child and minor labour' and 'Procedure SA8000 - Management of Indications'.

We feel that these policies are the basis for a robust approach to combatting modern slavery and human rights.

Compliance

An enterprise risk management approach, based on ISO 31000, is used to identify, assess, monitor and report on YOOX NET-A-PORTER GROUP's compliance risks. Risks are monitored and assessed by our Compliance, Ethics and Risk Committee.

This includes risks relating to sustainability, including human rights. We have identified the procurement of 'dirty gold' as a high risk. Our Supplier Code of Conduct requires that all suppliers of gold provide assurance that it has been in a manner which respects human and labour right.

Supply chain risks are constantly assessed and monitored. The three main risk areas of YOOX NET-A-PORTER GROUP regarding Modern Slavery are the following:

- Risks related to the violation of human rights
- Risks related to employees' protection
- Risks related to supply chain

The YOOX NET-A-PORTER GROUP renewed its certification to the Responsible Jewellery Council (RJC) in October 2018. RJC members commit to and are independently audited against the RJC Code of Practices – an international standard on responsible business practices for diamonds, gold and platinum group metals. The Code of Practices addresses human rights, labour rights, environmental impact, mining practices, product disclosure etc. in the jewellery supply chain.

Training

We understand the importance on providing regular training on human rights and modern slavery. Employees receive a training document about the SA8000 standard. We provide informal, ongoing, demand-based support to suppliers following initial SA8000 standard requirements in response to any questions or issues raised. Furthermore, training on the RJC standards has been provided during 2018 to buying and logistics personnel.

Looking Ahead

We continue to develop our approach to human rights. We are committed to continued harmonization of the scope of our policies and practices, and the extension of training for employees and our suppliers. Supply chain mapping and sharing of information increase our capability to identify and address issues. Increasing supply chain monitoring and transparency

is a key aspect of our approach to eliminating modern slavery in our business, and something we continue to prioritise. Beyond this commitment, the Group will continue to discuss the extension of SA8000 at Group level, and the formalization of our SA8000 audit process.

This statement was approved by the Board of Directors of YOOX NET-A-PORTER GROUP S.p.A. and The Net-a-Porter Group Ltd. It will be reviewed and updated on an annual basis.

Gianluca Gaias
Security, Risk & Compliance Director
March 2018