



## MODERN SLAVERY STATEMENT 2023

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

This statement applies to all companies within YNAP. It constitutes YNAP’s slavery and human trafficking statement for the financial year ending 31 March 2023.

### About YOOX NET-A-PORTER

YOOX NET-A-PORTER (YNAP) is a leading online luxury and fashion retail business. Made up of four multi-brand online stores, NET-A-PORTER, MR PORTER, THE OUTNET and YOOX, it connects customers to the world’s most coveted brands, bringing them outstanding style and impeccable service. In addition, YOOX NET-A-PORTER’s Online Flagship Stores partner with world-leading luxury brands to power their own e-commerce destinations.

With 5.3 million customers across the globe, YNAP takes a localised approach to serving its clientele around the globe through its network of offices and operations across the United States, Europe, APAC and joint ventures with Alibaba in China and Symphony Investments in the Middle East.

We have offices and operations in the United States, Europe, the Middle East, Japan, China, and Hong Kong, and deliver luxury fashion goods to more than 180 countries around the world. In our business operations globally, we employ around 4,000 employees.

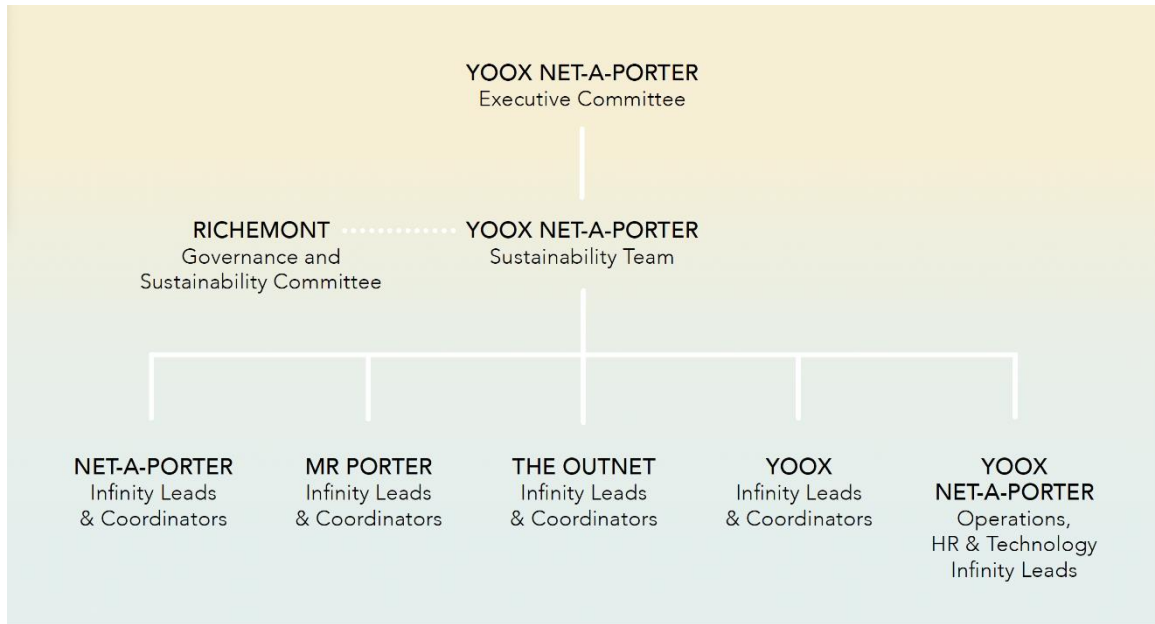
Procurement for the multi-brand online stores is achieved via an international portfolio of thousands of brands and suppliers with different levels of involvement. We have various direct suppliers around the globe, from which we buy our products and materials for sale. As a large global organisation, we have many other indirect suppliers, which relate to general business operations. These include - but are not limited to – suppliers who support our transport, editorial, customer care, marketing, office management and technology.

Since August 2018, YNAP has been part of the Compagnie Financière Richemont S.A. group of companies (“Richemont Group”).

### Governance

YNAP’s sustainability governance approach is responsible for management of issues relating to human rights, including modern slavery. Day-to-day governance of the sustainability strategy is overseen by the YNAP Sustainability Team, which leads the delivery of YNAP’s [“Infinity”](#) sustainability strategy across all aspects of the business, defining and implementing roadmaps and providing expert knowledge and guidance to the “Infinity” Leads Group. Our “Infinity” Leads represent our four online stores in addition to key business functions: Human Resources, Operations and Technology. “Infinity” Leads are responsible for engaging teams across their division, delivering projects that advance the commitments and monitoring their impact with the support of their “Infinity” Coordinators. Our Executive Committee

champions the successful delivery of “Infinity”. Our Sustainability Team is supported by guidance from the Richemont Governance and Sustainability Committee.



## Our Approach

YNAP has a zero-tolerance approach to any form of modern slavery. As an employer, we comply with legislation in relation to 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 in accordance with national legislation in each country where we operate. In addition, as a member of the Richemont Group, YNAP commits to abide by the standards and processes set out by Richemont.

Specifically, Richemont Group companies are required to provide a working environment that respects everybody’s human rights. As a Richemont Group company, YNAP adheres to the Group’s standards and is committed to respecting and promoting human rights as described in the Universal Declaration of Human Rights (UDHR), the United Nations Guiding Principles on Business and Human Rights and the OECD Due Diligence Guidance for Responsible Business Conduct. Richemont has also been a signatory of the UN Global Compact (UNGC) since 2013. We aim to respect issues covered by Fundamental Conventions of the International Labour Organizations, on child labour and forced labour, occupational health and safety, discrimination, equal remuneration, freedom of association, protection to organise and collective bargaining.

Richemont Group companies believe in meaningful stakeholder engagement and will communicate on steps taken to respect human rights and prevent modern slavery. In line with this approach, YNAP’s business partners are expected to have robust management systems in place to respect human rights and notify any concerns to us. In addition, YNAP puts into practice the Richemont Group’s commitment to working with colleagues, business partners and relevant stakeholders on a journey of continuous improvement.

## Policies

Since July 2019, YNAP has adopted the [Standards of Business Conduct](#) issued by the Richemont Group. These standards ensure that the ethical standards implemented by YNAP are clearly defined and represent a fundamental part of YNAP’s corporate culture. They also intend to act as a benchmark for all those who work with YNAP in respect of how they conduct business and, in general, how they perform their activities.

The standards include specific references to the exploitation of labour, and to discrimination based on gender or sexual orientation, race, class, nationality, language, religion, political and philosophical beliefs, political or union affiliation and association, health, disability, and age. YNAP recognises that it has a responsibility to 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 its business or supply chain.

YNAP has integrated the expectations set out by the [Richemont Supplier Code of Conduct](#) into the [YNAP Code of Conduct for Suppliers](#). We require all our suppliers to abide by the terms of YNAP's Code of Conduct for Suppliers, which apply to both our private label suppliers as well as to our brand partners. Suppliers and brand partners are required to accept the Code of Conduct for Suppliers as part of the contracting process. These terms include:

- Suppliers should not use any form of forced, bonded, indentured, or prison labour, and should/must not engage in any other form of compulsory labour, or any other form 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 must 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 or the age for completing compulsory education in the country where they are employed, whichever is the higher, as permitted by ILO (International Labour Organization) Minimum Age Convention. Young persons should be at least 16 years old, unless an exception is allowed by local law which is consistent with ILO guidelines.
- Suppliers must ensure that working 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.
- YNAP's suppliers, and all third parties working with or for YNAP, are obligated, in all their activities, to operate in full compliance with the laws, rules and regulations of the countries in which they operate.

As part of its Sustainability Strategy, YNAP has also developed its 2021 "Infinity" Product Guide, which applies to both private label suppliers and brand partners. The "Infinity" Product Guide includes a commitment to enhance ethical labour standards across the supply chain. The Guide includes considerations for suppliers on identifying, addressing, and mitigating modern slavery risks in their own operations and supply chains.

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

YNAP's Whistleblowing Policy includes suspected or alleged wrongdoing by senior management, employees or third parties, including business partners, suppliers, associates, and all those who operate in the name or interest of YNAP Group and companies. The policy allows all aforementioned parties the opportunity to anonymously report any suspected wrongdoings or dangers at work, which can provide evidence leading to appropriate remediation.

YNAP believes that these policies and commitments are the basis for a robust approach to combatting

modern slavery and upholding human rights. To ensure full awareness of and access to these policies, all YNAP employees are notified of policy launches and updates via YNAP's internal social media platform. In addition, all policies are available for employees to access at any time via YNAP's internal intranet.

## Assessing Risks of Modern Slavery in Our Supply Chain

Our standard procurement processes include checks and reviews designed to ensure that our suppliers have sufficient capability and capacity and are acting in compliance with YNAP's requirements. YNAP assesses and monitors supply chain risks through open dialogue with their suppliers and brand partners. The three main risk areas for YNAP in respect of modern slavery are:

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

### Assessing risks in private label supply chains

To elevate standards in buying and sourcing, YNAP launched its Supply Chain Transparency Program in 2021 to improve traceability and transparency throughout its private label's supply chains in partnership with Sourcemap, an external supply chain transparency platform. As a first step, all Tier 1 suppliers (manufacturing final products) for YNAP private labels' suppliers were engaged to gain more information on their business practices and organise on-site audits where necessary.

Tier 1 suppliers responded to a self-assessment questionnaire requesting information regarding human rights and worker protections, including whether they have forced labour policies and other policies and processes to protect worker well-being. The questionnaire also asked about other key indicators that can exacerbate or indicate increased risks of forced labour. These protections include:

- Policies and procedures in place to ensure that workers are permitted to join unions and raise concerns collectively to management, including through whistleblowing mechanisms and workers' hotlines;
- Provision of written contracts to workers in their own language and in understandable terms;
- Policies and procedures around recruitment of migrant workers, who may be more vulnerable to labour exploitation;
- Policies and procedures for contracting and assessing risks to homeworkers, who may be more vulnerable to labour exploitation;
- Payment of living wages

The Tier 1 assessment questionnaire additionally requested information about whether products are sourced from countries and sectors which can be categorised as high-risk for forced labour and other human rights abuses:

Based on the outcomes of the self-assessment questionnaires, a third-party advisory firm reviewed the results and categorised suppliers based on their risk level. Suppliers that fall into the highest risk category are audited against the Ethical Trading Initiative (ETI) Base Code, along with local regulations and national laws. This approach is supported by a contract which sets out our expectations regarding responsible supply and requires suppliers to work in strict compliance with our Supplier Code of Conduct. YNAP is also currently conducting SMETA (Sedex Members Ethical Trade Audit) audits against responsible business standards on our private labels' suppliers.

Ultimately, the self-assessment will be expanded to all Tier 2 suppliers with implementation expected to be completed by end of Calendar Year 2023.

## Engaging with our brand partners

Brand partners that are featured in our sustainability edits are asked to complete a self-assessment questionnaire which asks brands about their approach to modern slavery, how they assess risks to people in their supply chains, and whether they pay a living wage, among other topics linked to human rights and worker well-being. YNAP is currently in the process of updating this questionnaire.

## Training

YNAP understands the importance of providing regular training on human rights and modern slavery. It provides its suppliers with informal, ongoing, demand-based support in response to any questions or issues they may raise on these topics.

## Supervisory Body (Organismo di Vigilanza)

YNAP ensures propriety and transparency in the conduct of business affairs and activities by formally adopting an Organisation, Management and Control Model (hereinafter “Model 231”) as provided by Legislative Decree 231/2001.

Decree 231 establishes a system of administrative liability (which is substantially comparable to criminal liability) of legal persons and companies and associations, including those without legal personality, which is in addition to the liability of the natural person who physically committed the crime and aims to involve, in the punishment of that crime, the Entities in whose interest or benefit the crime was committed. This administrative liability only exists if one of the crimes explicitly listed in the Decree is committed.

Model 231 and the principles contained therein govern the actions of the Corporate Bodies, Employees, Associates, Consultants, Suppliers, Business Partners and, more generally, all those who, for any reason, work in connection with activities on behalf or in the interests of the Company.

In accordance with the principles laid down by Legislative Decree 231/01, the Board of Directors of YNAP has assigned the task of supervising the functioning, efficacy, and observance of the Model to an autonomous and independent Company body with specific powers of initiative and control (known as the “Supervisory Body”). Therefore, the Supervisory Body performs its functions outside the Company’s operative processes, reporting periodically to the Board of Directors, having no hierarchical relationship with the Board itself or with the individual Department managers. The Supervisory Body is composed of two external members and one internal, who, with their competence in legal and administrative matters and in the internal control system, guarantee observance of the requirements included in the Model. The Model in fact specifies and maps the processes in which the crimes it covers might occur. In this sense, the Supervisory Body regularly verifies that the controls which should prevent such crimes are put in place correctly.

Decree 231 expressly identifies the crimes (offences and violations) that can trigger the liability of the Entity if said crimes are committed in its interests or for its benefit. For the purpose of this Statement, it is specified that YNAP Supervisory Body also oversees the following crimes:

- Illicit intermediation and labour exploitation (Model 231 – Special Part D).
- Employment of illegally staying third-country nationals (Model 231- Special Part L).

In order to prevent such crimes, YNAP is required to:

- Refrain from engaging in, collaborating with, or causing the carrying out of behaviours such as to integrate, considered individually or collectively, directly, or indirectly, the types of crime provided for by art. 25-quinquies of the Decree.

- Guarantee a classification and remuneration of employees in compliance with national and territorial collective agreements and in any case proportionate to the quality and quantity of the work.
- Respect the regulations relating to working hours, rest periods, weekly rest periods, compulsory leave, holidays.
- Apply the regulations on safety and hygiene in the workplace.
- Ensure non-degrading working conditions, surveillance methods and housing situations.
- Refrain from engaging in or participating in the implementation of conducts which, considered individually or collectively, may integrate the crime referred to in Article 25-duodecies of Legislative Decree 231/01.
- Refrain from engaging in and adopting behaviours that, although they do not in themselves integrate the crime of employment of illegally staying third-country nationals, may affect the effectiveness of the preventive internal controls instituted.

## Looking Ahead

YNAP will continue to work with its direct suppliers to identify potential emerging risks and impacts in the extended supply chain, and furthermore focus on transparency and traceability throughout the supply chain to ensure that risks of modern slavery are considered.

This statement was approved by the Board of Directors of YOOX NET-A-PORTER GROUP S.p.A. and its affiliates on 24/07/2023. It is reviewed and updated on an annual basis.

Pravini Nathoo  
Global Communications &  
Sustainability Director  
25/07/2023