

THE HONESTY PROJECT

# Modern Slavery Statement 2020

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*The Regatta Group of companies:  
Regatta Great Outdoors, Regatta Professional,  
Craghoppers, D2B, Hawkshead, Risol Ltd and  
Countryside Trading Ltd.*



# Our Commitment

The Regatta Group first published its Modern Slavery statement in July 2017 in accordance with the UK Modern Slavery Act of 2015. We are now proud to share this; our fourth statement, which summarises our activities and progress during the year ending January 2020 to prevent modern slavery of all forms in our business and supply chain.

**At Regatta Ltd we have a zero-tolerance approach to modern slavery of any kind.**

Our approach is clear, **“we care and treat people in our business and supply chain fairly, with honesty, courtesy and respect, as we ourselves would expect to be treated”**

From our Board down, and through all aspects of our business we understand, **“It is not just about what we do, but rather how we do it.”**

As a privately owned family business, we have strong family values, and operate a culture where staff are encouraged to voice any concerns using the appropriate reporting channels. Everyone must play their part and be alert to the warning signs of slavery.

This year our work on modern slavery continues to extend further into our wider supply chain. We want to act as leaders in our field, making changes, having conversations, allowing voices to be heard, understanding risks, and preventing exploitation throughout by following a robust due diligence strategy.

**“We are committed to ensuring that no slavery or human trafficking exists in our business or in our wider supply chain”.**



THE HONESTY PROJECT

**“We all have a responsibility to be alert to the risks, however small.”**

# Our Global Reach



***“We expect each and every person who is touched by our brands & products to have a positive experience.... whether this is the sewing workers in the factories, our teams in store, or our customers ”***

*Despite humble beginnings in 1981, our brands have grown into strong multi-channel, global market players, and we are now the biggest outdoor group in Europe. Our brand portfolio includes Regatta Great Outdoors, Regatta Professional, Dare2b & Craghoppers.*

*Through our own stores, concessions, our retail partners and online platforms, both in the UK and internationally we continue to grow. Over the last year we have extended our store portfolio by 11 stores, as well as entering new markets within Asia. Online our presence also grows with opportunities expanding on Amazon & Groupon, as well as extending & enhancing our own online platforms.*

*Our supply network which now spans across continents and has increased with a net gain of 4 factories over the last year. We do not own the factories or suppliers who produce our goods, but we understand that our biggest exposure to modern slavery is within our product supply chains. Therefore we take a hands-on approach to work with all our partners to ensure our company ethics align.*



# Our Policies & People

Our strategy to tackle modern slavery is reflected through our policies. Internally across the business our group Code of Conduct sets out the minimum expectations, which all employees are expected to adhere to.

**“CSR is always at the core of everything we do”**

 GDPR	 HUMAN SLAVERY	 CHILD LABOUR	 HOME & MIGRANT WORKERS
 WHISTLE BLOWING AND GRIEVANCES	 BRIBERY	 DIGNITY AT WORK	 EQUAL OPPORTUNITIES

Our policies, which are developed by external experts and signed off at board level to ensure senior accountability, represent the ground rules within the Regatta Family.

Overarching to everything we do is our Honesty Project, which ensures ethical sourcing and sound business practices are always at the forefront of our approach. This year we have also introduced Project 5, which challenges every individual within our business to set their own personal sustainability targets. Whether that’s reducing waste, cutting back energy consumption or planting trees on a company volunteering day, we want our policies to be sewn into the core of the business and everyone should be involved on a personal level, entrepreneurial spirit is key!

We believe in creating a community in our business where everyone feels a sense of belonging and engagement. Our workplace online platform enables easy communication and direct access to all levels of the business including our board members, and we post modern slavery updates on here too.



Beyond our core policies, BeWell is our wellbeing & social initiative and promotes healthy working and lifestyle choices. This year we have done a lot of work to promote BeWell and the benefits and services that are available to our employees. These include pension schemes; enhanced maternity pay and access to support networks.



We are very proud of our award-winning health & safety policies, and we invest in recognition programs and offer development opportunities across the business.



We align ourselves with business partners who have the same philosophy as ourselves. We only work with those who have the same policies & values on modern slavery. This is reflected in our suppliers Code of Conduct which is reviewed and signed off each season by senior management.



Across our goods and services not for resale (GSNFR) partner suppliers in the UK and across Europe, we have introduced a questionnaire developed by external experts which maps out our partners depending on their own modern slavery practices. This will cover 50% of our value of business by the end of 2020.

As part of our new supplier introduction pack, our T&C’s ensure modern slavery is a part of our partners strategy, and that a policy is available and published if applicable, in line with UK labour law.

We also extend the same level of due diligence and care to workers beyond our own business, such as the agency staff in our Polish WH site where we check proof of rights to work, visit living quarters and ensure the workers on-boarding process when they arrive at new locations is complete, from translating documents to showing them the nearest pharmacy or where to catch the bus.

# Our Supply Chain

Since 1981 our core strength has been in our product and product supply chain. Sourcing product from 10 countries predominantly in eastern Asia, we have built great relationships with our suppliers and are extremely proud of our longstanding strategic partners. We remain alert to the vulnerability of modern slavery that may exist not only due to the high-risk nature of the countries that we source from, but also the predominantly female workforce that associates with the garment making industry.



10  
SOURCING  
COUNTRIES



60%  
2ND TIER  
SUPPLIERS AUDITED

Ethical Trading has always been a cornerstone within our business. Championed by our owner and Board Director Joanne Black, it runs through our core because we wholly believe that:

**“making good quality clothing, footwear, accessories and equipment should not come at the expense of others.”**

The Honesty Project is our Ethical and Environmental program which underpins everything we do. It focuses us on creating fantastic product, thoughtfully engineered for the great outdoors, whilst ensuring those involved are treated fairly in good working conditions.



50% STRATEGIC SUPPLIERS  
FOR OVER 5 YRS  
27% STRATEGIC SUPPLIERS  
FOR OVER 10 YRS

We are committed to increasing our transparency & human rights within our supply chain and our focus over the past year has been to further embed our policies into our 2<sup>nd</sup> and 3<sup>rd</sup> tier suppliers. We have already mapped out our extended supply chain and have completed audit on 60% of our 2<sup>nd</sup> tier suppliers. For those not yet audited we have begun work already to promote labour rights and increase awareness to the workers through training sessions, posters and leaflet hand outs.



THE HONESTY PROJECT


- 1998** - All product suppliers follow globally recognised SA8000 social standard.
- 2012** - Regatta Group became a member of Ethical Trade Initiative. (ETI)
- 2014** - Advanced from Foundation level member to Improver level member with ETI following our first report submission.
- 2017** - Awarded Achiever level with ETI and won MEN Business of the year Judges Choice Award.
- 2018** - Joined Greater Manchester Network for Modern Slavery.
- 2019** - Maintained Achiever level with ETI but recognised as one of the top performing companies within the ETI members.
- 2020** - Craghoppers won Brand of the Year (>£30m) Drapers Sustainable Fashion Awards 2020




THE HONESTY PROJECT

# The ETI Base Code


 Employment is freely chosen

 Freedom of association & the right to collective bargaining

 Safe and hygienic working conditions


 No child labour

 Living wages are paid

 Working hours are not excessive

 No discrimination

 Regular employment

 No inhumane treatment

The ETI (Ethical Trade Initiative) brings together brands, retailers, suppliers, unions and voluntary organisations to improve conditions for workers. The ETI Base code, founded on the conventions of the International Labor Organisations (ILO) and is an internationally recognised code of labour practice. Our journey with ETI began in 2012 and we have progressed along the ETI landscape to become an Achiever level business since 2017.

From the offset all our product suppliers are introduced to the base code and compliance to its principles becomes a necessity for working with us. We carry out face to face meetings and send letters of commitment for suppliers to sign back. We are continuously reviewing throughout each season in line with the base code and our suppliers are required to:

- Participate in ethical trading audit assessments which are carried out by our own highly qualified in-house teams or by an internationally accredited 3rd party auditor.

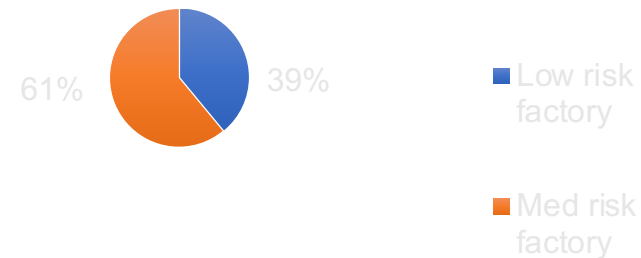


**36**  
FACTORIES AUDITED  
IN 2019

- Provide employees with good and safe working conditions, fair treatment and reasonable rates of pay.
- Respect workers human rights and comply fully with all applicable laws.

During the past year we have improved our closure rate of 3rd party non compliances at audit from 62% to 66% .

Of our 1<sup>st</sup> tier factories audited this year we achieved the below results at audit, with no factories deemed as High risk:



The principles also require that:

- All work must be voluntary and not undertaken with any threat of penalties or sanctions
- Clear written employment contracts are provided in line with local laws
- Workers must not pay any deposits for work
- Employers and recruiters must not keep original copies of identity documents

- Forced or imprisoned labour is prohibited and workers must be free to leave work at any time with all salary owed to be paid.
- Workers rights for freedom of association and collective bargaining are respected. This gives voice to the workers in our supply chain and access to grievance mechanisms that meet the UNGP criteria. Over 40,000 workers in our supply chain are represented by a workers committee or trade unions and have access to hotline mechanisms run by local NGO's.



**98%** 1<sup>ST</sup> TIER WORKERS REPRESENTED  
**27%** FACTORIES WITH TRADE UNIONS

All of these points are indicators of Modern Slavery as outlined by the ILO.

# Managing Risk



*We are raising our game every year; continuously improving the way we source our garments so that workers benefit. We are helping our suppliers to be better employers and benchmarking our procedures within our supplier base with the most forward-looking companies in the UK and Europe.*

*Whilst our auditing methods are a necessity to benchmark, as a company we do not rely on these methods alone to meet workers labour rights and human rights.*

*We have:*

- *pro - actively enrolled 6 supply partners onto capacity building programs which aim to provide better working practices*
- *rolled out a worker's wellbeing survey across 5 factories, and continue to analyse the results, discussing any findings with factory management teams.*
- *initiated our own payroll analysis which not only compares wages with the legal minimum wage, but also the national/regional living wage.*



*Whilst our measures listed below go along way to help minimise exploitation in our supply chain, we are aware that they cannot conclusively prevent it and so we are always striving to do more, visit more, see more, ask more and listen more.*

## *Audit through 3<sup>rd</sup> party & Internal teams*

- *Supplier mapping*
- *Benchmark*
- *Transparency*
- *Corrective Action Plans*
- *Payroll Analysis*

## *Capacity Building Programs*

- *SCORE project, China*
- *Smart Myanmar, Myanmar*
- *ETI's Social Dialogue, Bangladesh*

## *GNFRS*

- *Workers Wellbeing Survey*
- *NGO run hotline facility for grievances*
- *Living Wage Analysis*
- *Social Insurances Analysis*
- *Regatta Health & Education Program*

- *3<sup>rd</sup> Party Questionnaire, SGS*
- *Payroll Analysis*
- *Ethics Analysis*
- *Risk Analysis*
- *Supplier Mapping*
- *Benchmarking*
- *Transparency*
- *Supplier selection*

# Systems reporting & Training

We know the correct training is key to eliminating exploitation in our supply chain. Both internally and externally we have developed our reporting systems and training programs to facilitate our teams to recognise, report and review what goes on around them.

For our internal staff this involves training through our digital platform; Workplace, which reaches all employees worldwide & aims to increase awareness and keep the risks at the forefront of everyone's mind. This year we have also distributed a Modern Slavery hotline number amongst our business with the intention to raise awareness. Through our network we have collaborated with Programme Challenger in the North West and plan to organise training sessions at our Head Office later this year.

As we partner with factories that are aligned with our values on MS, they are usually very cooperative with our mission to minimise the MS risk. However we continue to send online training videos to all our supply partners and letters from our Board of directors to affirm our zero-tolerance approach to the abuse of human rights. We actively encourage suppliers to establish their own risk assessment processes in their own supply chains.

This year we have extended training into the breadth of our sourcing operations beyond 1<sup>st</sup> tier garment suppliers, and onto 2<sup>nd</sup> & 3<sup>rd</sup> tier suppliers. 3<sup>rd</sup> party audits have now covered 60% of our second-tier suppliers.

We have followed the same rigorous process with our 2<sup>nd</sup> tier suppliers to train them in dealing with the root causes of modern slavery, these include:

- In-house visual factory evaluations by our own staff to establish compliance level
- Workers ID checks and documentation on wages and working hours
- H&S Training of the workers and access to basic amenities
- 3<sup>rd</sup> party auditing to verify our findings
- Corrective action plans and follow up from our internal teams
- Remedial action delivered by 3<sup>rd</sup> party experts, NGO's or trade unions.



**WORK PLACE  
HEALTH & SAFETY**



**NO CHILD  
LABOUR**



**FIRST  
AID**



**FIRE  
SAFETY**



**CLEAN WATER  
FOR EVERYONE**



**PROTECTIVE  
EQUIPMENT**

In our audits and discussions with workers and factories management we particularly check for the following modern slavery indicators:

- Withholding wages.
- Ensuring workers are not in a position that they can never pay off loans to agents and factories
- Exploiting child labour
- Excessive overtime which is not voluntarily
- Not letting workers out of the factory and withholding their IDs
- Deception about pay and working conditions - no contract in place or the contract is ambiguous.



We have in the last year made some amendments to our reporting mechanisms for all suppliers; to be more gender sensitive. The changes allow us to collect gender related data and be more reactive to gender related issues which may lead to exploitation.

We have had our own Regatta helpline for several years now and have recently begun trialing another workers hotline with a renowned NGO in Bangladesh where workers can phone and raise issues. The NGO provides workers with the training and makes them feel confident to use this facility as a means to report emergencies, grievances, safety concerns, and to quickly resolve workplace issues.



# Social Impact & the Community



Our responsibility extends beyond our business and supply chain, and into the communities beyond. We believe in bringing people together, and initiating support networks that provide education, empowerment & solidarity to groups of people who may otherwise be vulnerable. As Outdoor experts and members of the EOCA, we care for our planet too. We have worked for many years with conservation projects around the world, such as Dian Fossey Gorilla Fund, Rhino Fund Uganda, & Saving the Survivors in S.Africa. We are aware exploitation can extend beyond people, to animals and our natural environment, so we are proud to take a leading role in helping to protect and preserve our planet.

For 12 years we have funded a school in the Savar region of Bangladesh close to our garment factory area which provides 260 children, aged 4 - 14 a safe environment to learn and prepare for future life. Following extensive refurbishment of the classrooms to create exciting spaces for learning, we provide:

- balanced meals to all the children 6 days a week
- school uniforms
- teacher training
- colouring books & masks during Covid lock down

Over the past year we have also set up a functioning library room for the children and wider community to borrow books to improve their literacy.



In 2019 we were proud to be the official sponsor for Alzheimer's Society's Memory Walk Events. A series of nationwide mass participation sponsored walks which aim to bring people together in the outdoors, raise awareness and generate vital funds to support people living with dementia, and to find a cure for this terrible disease. Using our garment expertise we were able to provide the event T-shirts, promote the events throughout our stores, and provide kit to the organisers, in addition to ongoing fundraising throughout our business. We continue to support Alzheimer's Society into 2020.



We continue to run our Regatta Health and Education Program and HER project in our Bangladesh factories delivered via a local NGO. We have now completed training with 6 factories and over 10,000 women have benefited, who in turn have cascaded their learning onto their friends and neighbors further benefiting the wider community beyond our factories. The program teaches the women about health & nutrition, but also H&S in the workplace, gender equality, discrimination, violence and harassment.

**3000**  
FAMILIES IMPACTED TO  
DATE BY THE SCHOOL

**10000+**  
BENEFITING IN THE  
COMMUNITY

**130,000**  
T-SHIRTS SUPPLIED  
TO MEMORY WALK



# 2020 Challenges

2020, like for many businesses worldwide, has been a particularly challenging year given the global pandemic of Covid 19. As a business we pride ourselves on entrepreneurialism, but this year we were tested in both our agility to move quickly and react to what was going on firstly in our offices & supply partners across in Asia, and then as the virus spread, also across our operations in the UK and the rest of Europe. A robust company build on strong foundations, we have been fortunate enough to come through the peak of the pandemic trading well, however we recognise clearly there are casualties across the globe as countries enforce lock downs, businesses are forced to remain closed, and livelihoods disappear overnight.

Whilst in the UK the furlough scheme enabled staff to continue to get a monthly wage, we also knew that our supply partners would be facing challenging times and would need our support and cooperation more than ever in order to survive. Our sourcing countries also imposed lock downs which impacted our product supply, and the cash flow of our partner factories, and we knew it was crucial that we supported the factories to keep them going where safe to, and prevent workers being exploited in the situation.



In response we committed to our garment suppliers:

- not to cancel any immediate orders which were in production or in transit.
- to use up all fabrics and accessories that had been booked for the season ahead.
- To negotiate extended payment terms with our nominated materials suppliers for any orders which we had to delay shipment on.

In addition our teams on the ground in the local countries were able to check:

- all our factories paid their workers full salaries and bonuses before the lock down periods
- when the factories re-opened again, they did so safely and with measures in place to prevent further spreading of the virus
- posters were distributed to raise hygiene awareness

Through our community support initiatives we actioned:

- essential food parcels to our Savar school children and their families during the pandemic period
- training to workers through Dhaka NGO, on Covid hygiene



In the UK we ensured:

- our head office and warehouse facilities were safe environments to return to work
- no one was forced back to work if they were not comfortable to do so
- any agency staff employed during this period underwent additional recruitment checks to ensure suitable to work

We also continued to support our charitable commitments by:

- donating 20% of the sales of medical masks in our retail to support charities and conservation partners across the group.
- supplying 23 charities with masks at either cost price or donated free of charge.

**কভিড-১৯**  
করোনা জাইরাস

**প্রতিরোধ**  
সুস্থ থাকার জন্য জানা থাকতে হবে এর লক্ষণ সতর্ক।

**লক্ষণ**

**সচেতনতায়:**  
REGATTA GREAT OUTDOORS | CRAGHOPPERS | REGATTA PROFESSIONAL

জরুরী প্রয়োজনে : ০২৭০৮৫২৮৯৪২

# Tracking Our Progress



*Despite the challenges that come our way we are committed to ensuring the work and progress we do to prevent modern slavery continues to embed into our own business and through our business partners alike. We have the following checks in place to ensure KPI's are met:*

- Our transparency map is one way we keep check of how far we have come, and as this continues to expand further to 2<sup>nd</sup>, 3<sup>rd</sup> & 4<sup>th</sup> tier suppliers of packaging, embroidery, washing and printing, we enforce the same principles and ask partners our to align with us. Our supply chain is constantly evolving, and so knowledge and awareness are the greatest tools for preventing exploitation.*
- Our CSR business plan sets objectives and strategy across a 3-year period, and we regularly review this across the business and at Board level with regards to modern slavery.*
- Our ETI membership helps us to navigate deeper into the human rights issues and also keeps in check our progress through a bi-annual reporting system which we will be submitting next year.*
- Our questionnaire to the wider supply chain of providers of GSNFR continues to benchmark their ability to detect and mitigate modern slavery risk through policy and training, trading relationships, recruitment, and employees working conditions & wages.*
- 3<sup>RD</sup> party audit reporting, & reporting through NGO hotline.*
- Continuous presence in our factories, through employees on the ground, right up to our owner & company MD's visiting.*

*We recognise that modern slavery cannot be combatted alone, and so we believe in sharing best practices at all levels within the industry.*

- Collaboration and sharing of best practice with other brands, and members within the European Outdoor Group (EOG) and the Outdoor Industry Association (OIA).*
- Collaboration with supply partners through projects such as The ILO SCORE project in China, Smart Myanmar in Myanmar and the Social dialogue program in Bangladesh. These programs aim to improve H&S, HR, Recruitment and management systems in factories as well as encouraging free election and the establishment of workers committees, to give the workers a voice.*
- As as a supplier ourselves, we continue to offer support and collaborate with our customers in completing their own risk assessments by being open and transparent about our business practices and policies as well as these of our supply chain partners.*



*We are members and attend the Greater Manchester Modern Slavery Business Network quarterly meetings. These provide an opportunity for businesses based in or with connection to the region to work together and support each other in tackling modern slavery.*

*It is a great opportunity for representatives from a wide range of businesses and sectors to hear about some of the good work that is going on in the region, as well as sharing some of the challenges businesses face in tackling this horrific crime.*

*In June, this year we hosted the first virtual meeting due to Covid restrictions, which saw over 25 organisations from across the North West, as well as one of our own supply partners in Bangladesh come together to discuss openly responsible recruitment and preventative measures within global supply chains. We hope to inspire other businesses with our work and in the fight to stop modern slavery in all forms.*

# Looking Forwards



In the words of our founder Lionel Black:

***“A successful business does the right thing, sticks to its values and doesn’t just chase profits,”***

With that in mind we look forwards to the next 12 months and outline the below focus points to work towards across our business:

- Raising awareness within our internal UK sites through interactive training days, and inclusion within the introduction packs of all new employees.
- 100% of our UK GSNFR providers to be covered by our 3<sup>rd</sup> party modern slavery questionnaire.
- Extending our values and good practices further beyond our supply chain, into our supplier's own supply chains, with our business partners taking ownership of this.
- Continuous analysis and follow up, based on our extensive data collection methods within our supply chain in order to implement real changes.
- Increasing our collaboration with forward thinking businesses and our existing stakeholders so that we constantly learn and improve.

This statement was approved by the board of Directors of the Regatta Group of companies: Regatta Great Outdoors, Regatta Professional, Craghoppers, D2B, Hawkshead, Risol Ltd and Countryside Trading Ltd on the 23/7/20.

**Signed:**

Joanne Black

Director / Owner, July 2020

