

HOUSE OF FRASER

MODERN SLAVERY STATEMENT FOR FINANCIAL YEAR ENDING 31 JANUARY 2018

This is House of Fraser's second annual Modern Slavery Statement for the year ending 31st January 2018. The previous statement is available on request.

1 Introduction

- 1.1 The UK Modern Slavery Act 2015 ("**Modern Slavery Act**") requires organisations who carry on a business within the UK ("**UK organisations**") to ensure that modern slavery does not take place within their organisation. Further UK organisations with a turnover of £36million or above are required under the Modern Slavery Act to produce in respect of each financial year a statement setting out the steps it has taken in the relevant year to ensure that modern slavery does not take place not only within its organisation but across its supply chain. For the purpose of this statement, modern slavery includes any form of servitude, forced or compulsory labour, bonded labour, child labour and/or human trafficking.
- 1.2 Accordingly, we, House of Fraser, have produced an annual statement since 2016 in compliance with our obligations under the Modern Slavery Act. This statement outlines the steps we have taken in financial year 2017/18 (1st February 2017 – 31st January 2018) including our responsible sourcing system to risk assess and manage compliance across our suppliers, concessions and own bought brands ("**supply partners**") in line with the requirements of the Modern Slavery Act, as well as other legal and good practice sustainability requirements to which we are subject.

2 About House of Fraser

- 2.1 We offer a wide range of goods encompassing clothing, home furnishings, gifts, cosmetics, footwear and food. To create and produce this range of products, we, as well as most of our supply partners, have complex supply chains and we aim to understand the diverse components within them. We source goods and services from many countries including the UK, Portugal, Turkey, India, China, Bangladesh, Vietnam, Thailand and Indonesia. We are committed to ensuring that we continuously look at ways of improving working standards and the effect we and they have on the environment.
- 2.2 Our organisation has its headquarters in the UK and various subsidiaries across the UK and Ireland. We also have a subsidiary in China out of which we operate our Chinese business. We also have franchise arrangements in place with partners within the Middle East including Abu Dhabi.

3 Modern Slavery

- 3.1 According to the International Labour Organisation, in 2016 there were 40.3 million people worldwide subjected to some form of modern slavery.

- 3.2 We recognise that fashion supply chains, hospitality, food and cleaning services are high risk for modern slavery particularly as a result of the pressure to keep costs low and seasonal demand. As we source products from many countries, including high-risk areas such as India and Turkey, we know we have to take steps to ensure instances of modern slavery do not occur.
- 3.3 We do not tolerate modern slavery either within our business itself or within our supply chain and take the issue of tackling it extremely seriously. We expect our supply chain (whether direct suppliers or those that directly or indirectly supply our direct suppliers) to share the same values.

4 Our Principles and Approach

We have a Responsible Sourcing policy and system to support us manage the environmental and ethical impacts across our organisation and supply chain. Figure 1 illustrates the scope of our organisation and supply chain. Our Responsible Sourcing system is part of our sustainability programme – **Responsible Retailer**. The core elements of our Responsible Sourcing system are illustrated in figure 2 and described in the following sections.

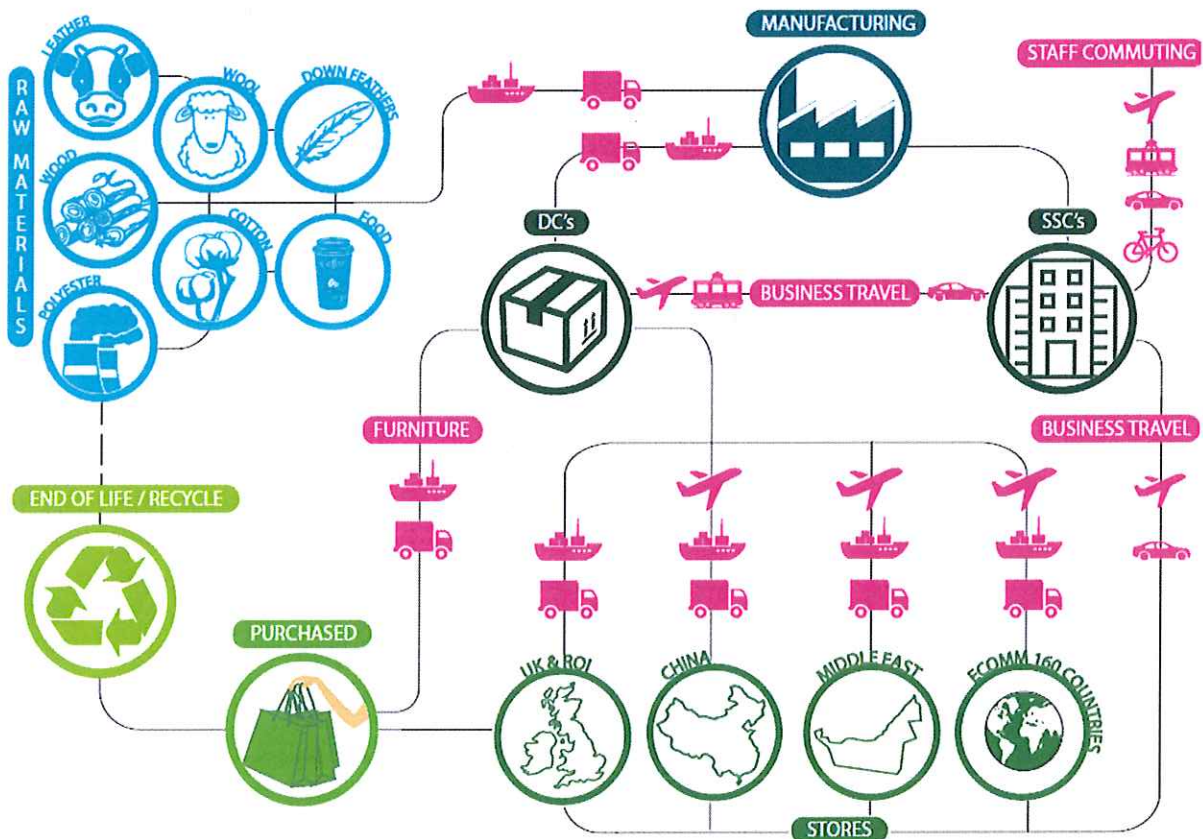


Figure 1: House of Fraser supply chain

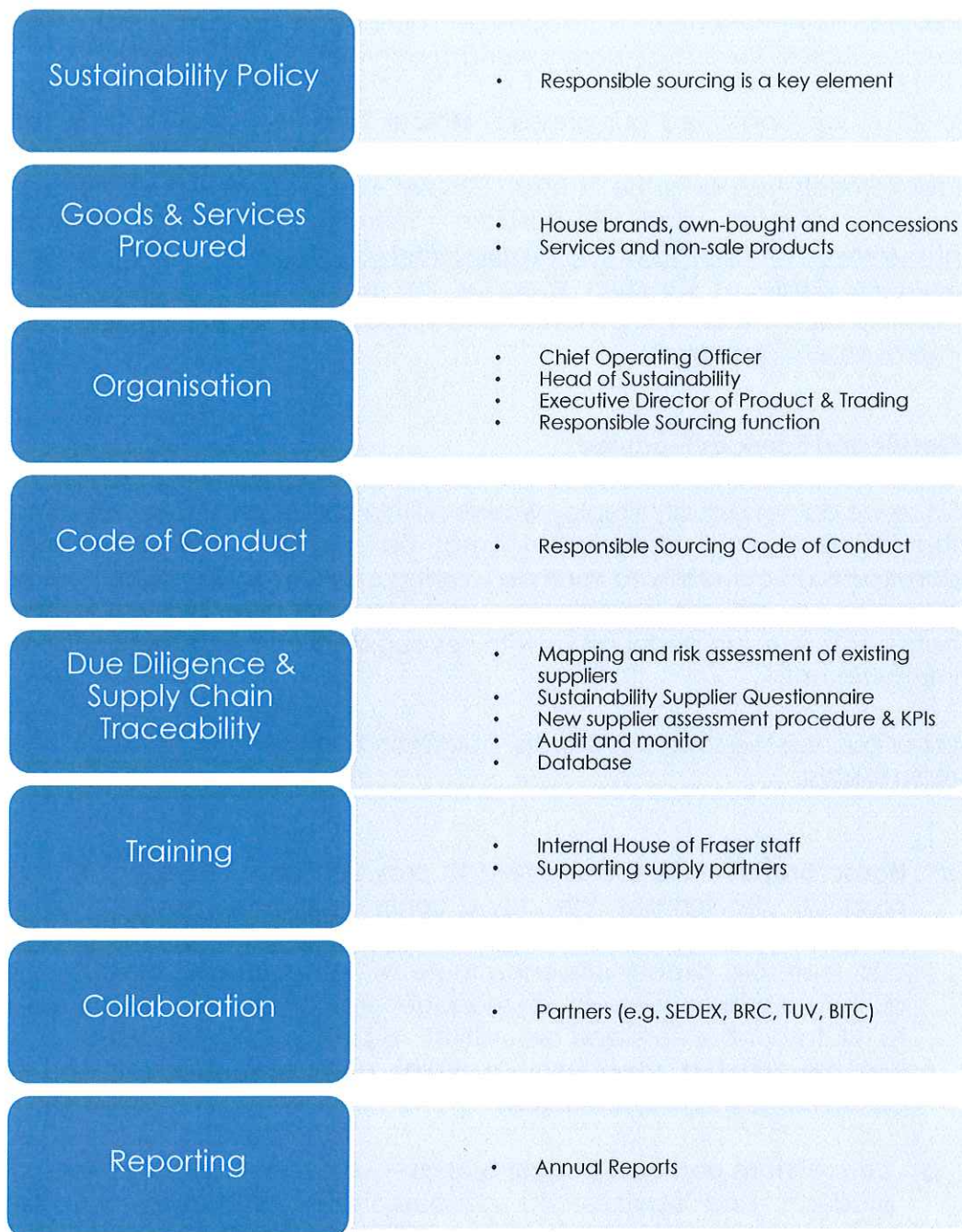


Figure 2: Responsible Sourcing System

5 Sustainability and Responsible Sourcing Policy

5.1 At House of Fraser, sustainability means being a **Responsible Retailer**. This is integrated as a strategic pillar in our business and one of our core values. The aim of our **Responsible Retailer** programme is to manage our **environmental footprint**, **responsibly source** and support the **communities** we engage with while maintaining sustainable growth. Under this aim, there are three pillars of action. **PEOPLE, PLANET & COMMUNITIES**. Responsible sourcing comes within the PEOPLE pillar. For our full Sustainability Policy see <https://www.houseoffraser.co.uk/company-information/sustainability>