

## TRANSPARENCY IN SUPPLY CHAINS STATEMENT

The California Transparency in Supply Chains Act (SB 657) and the United Kingdom Modern Slavery Act of 2015 require businesses to publicly disclose the steps they are taking to address modern slavery and human trafficking. These disclosures are intended to increase consumer awareness of manufacturer and retailer efforts to eliminate slavery, human trafficking and similar human rights violations from their supply chains. Throughout this disclosure we use the terms "slavery" and "human trafficking" as examples of the many forms of involuntary labor described by the International Labor Organization (ILO), all of which are also expressly prohibited by the GBG Global Supplier Principles and GBG Involuntary Labor Policy.

## COMPANY OVERVIEW

Global Brands Group Holding Limited ("GBG" or the "Company") sells branded adult and children's apparel, footwear and accessories products across various distribution channels and geographies, including California and the United Kingdom. We employ approximately 7,000 associates directly, with approximately 75% in the Americas, 15% in Asia and 10% Europe, the Middle East and Africa. GBG is a market leader in the licensed brands business and a licensee of choice for well-known brands with loyal followings of fashion-conscious consumers seeking high-quality, well-designed products. We benefit from an extensive portfolio of recognized brands we proudly craft and deliver via a global network of contract supply chain partners.

## RISK ASSESSMENT

GBG carries out direct recruitment of associates wherever possible and ensures they have relevant right-to-work documentation and suitable contractual arrangements, where applicable. We consider the risk of slavery and human trafficking low for direct employment in our offices, stores and distribution centers. We also assess this risk within our direct supplier base, where we believe our exposure is elevated. To determine which sourcing countries and sectors pose risk, we utilize several publicly available governmental and intergovernmental resources. GBG continuously reassesses its approach as these resources are updated and new, credible resources emerge.

We conduct audits of our direct suppliers to evaluate compliance with the GBG Global Supplier Principles, which include prohibitions on slavery and human trafficking. We utilize unaffiliated third-party workplace compliance audit firms to execute announced and unannounced audits. Suppliers identified as high risk via the assessment process undergo more frequent monitoring to ensure continuous progress is made toward compliance. In cases of non-compliance, we examine the specific situation and develop an appropriate strategy for timely resolution. If cases of non-compliance are not resolved in a timely manner, we may terminate our business relationship with the supplier.

GBG is also a signatory to the global buyer principles of the ILO's Better Work program, and we rely on independent Better Work factory assessments in lieu of our own audits in countries where Better Work operates. We support ongoing supplier improvement through training and technical assistance.

## SUPPLIER CERTIFICATION

The Company requires all suppliers to comply with applicable laws regarding slavery and human trafficking within their country(ies) of operation. All GBG suppliers must certify receipt, review and understanding of the GBG Global Supplier Principles and GBG Involuntary Labor Policy. Among other requirements, these standards prohibit any form of involuntary labor, including child, forced, bonded, trafficked, indentured or prison labor, and the purchase or use of materials from persons or entities utilizing any such labor.

## ACCOUNTABILITY STANDARDS AND PROCEDURES

GBG maintains strong internal accountability procedures, which are communicated through our Code of Conduct and Business Ethics. All associates and agents with production, sourcing, quality, and sustainability responsibilities, as well as internal buying offices and trading companies doing business with us, are provided copies of the GBG Global Supplier Principles. In cases of non-compliance, we examine the specific situation and develop an appropriate strategy for timely resolution, which may include termination of employment or our business relationship.

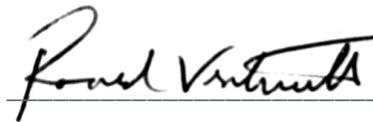
GBG associates who regularly visit suppliers are asked to assess conditions informally while on location and report any concerns. GBG teams meet regularly to review supplier compliance performance and discuss strategy.

## TRAINING

The Company provides training to associates with direct responsibility for supply chain management to raise awareness about slavery and human trafficking. This training focuses specifically on recognizing and preventing forced labor risks within our supply chain. GBG encourages our agents and suppliers to participate in seminars and training programs on compliance issues, including slavery and human trafficking, to further raise awareness and mitigate risk.

This statement has been approved by our Board of Directors.

September 28th, 2018



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Ron Ventricelli  
Chief Financial Officer  
Global Brands Group Holding Company