OUR BUSINESS

In compliance with the UK Modern Slavery Act of 2015, the following document discloses Perry Ellis Europe Limited ("PEEL") policies and actions relating to the elimination of slavery and human trafficking in the supply chain.

PEEL is a wholly owned subsidiary of Perry Ellis International, Inc. (collectively, “Company”); which has its corporate office in Miami, Florida, United States. Perry Ellis International, Inc. through itself and wholly owned subsidiaries has approximately 1,800 employees worldwide, with offices and/or operations in the United States, Asia, Canada, Europe, and Mexico and has sourced goods and services globally for over 50 years. Company is a global leader in the design, manufacturing, marketing and distribution of branded lifestyle apparel and accessories. PEEL is the UK division of the Company and leads the Company’s business operations in the UK and Europe.

PEEL believes that every person has a right to decent and humane working conditions. Accordingly, PEEL is committed to ensuring that our business and supply chain reflects our values. We are dedicated to developing our practices and strictly prohibit the use of forced or compulsory labor, slavery, and human trafficking.

OUR SUPPLY CHAIN

Our key supply chains, from suppliers and producers in 26 countries across the world, can be divided between:

- Our Tier 1 suppliers who are involved in the cut, sew finish and shipping of products; Suppliers that produce apparel (including wovens, knits, outerwear, swimwear, sweaters, accessories); and
- Our Tier 2 suppliers involved in screenprinting, laundry and embroidery.

During 2019, we used the US Department of State Trafficking in Persons Report to map our supply chain and identify areas of particular risk so that we could actively assess and manage those risks. Having done so, we identified those countries which gave rise to a potentially higher risk of modern slavery. Those are particular areas of our focus for extended risk assessments (described below).
OUR APPROACH

Our internal policies include our Code of Ethics and Conduct and our Vendor Code of Conduct (VCOC). Our Code of Ethics and Conduct requires all associates to act ethically and with integrity at all times. The Vendor Code of Conduct outlines the minimum working and environmental conditions that all direct suppliers must meet prior to conducting business with PEEL, ensuring that we are promoting and enforcing ethical behaviors in our supply chain. Our Vendor Code of Conduct prohibits the use of child, forced labor, slavery, human trafficking and discrimination in employment. It also requires that lawful wages and benefits are provided, health and safety standards are complied with, and environmental laws are adhered to. Below is an outline of the steps we are continuing to take to promote our efforts in this regard:

1. As a condition of doing business, we require our suppliers to certify in writing via our Master Supply Agreement and Vendor Code of Conduct of their compliance with all applicable laws within the country of business including those regarding slavery and human trafficking.

2. We maintain and enforce internal accountability procedures for our associates and compliance by direct suppliers regarding company standards on slavery and human trafficking. In the event of non-compliance, we reserve the right to investigate the situation and develop the best possible strategy for resolution. If non-compliance remains unresolved, we reserve the right to terminate the business relationship.

3. We monitor unauthorized subcontracting as it poses a high risk for forced labor. Close collaboration with our Sourcing, Quality Assurance and Merchandising teams aids with identifying and minimizing unauthorized subcontracting within our supply chain. If unauthorized subcontracting is detected, we conduct an investigation and require orders to be moved to the approved supplier. A chargeback penalty may be issued and in certain instances, we will terminate the business relationship with the supplier.

4. Regular audits are conducted on our direct suppliers. Direct suppliers are evaluated on their compliance with our Code through announced and unannounced audits conducted by our internal auditors or third party audit providers. To ensure production is only placed with registered and approved suppliers, all purchase orders are reviewed by our Compliance team prior to production placement. We also accept industry audits based on acceptable industry standards in lieu of conducting internal/third party audits. All audit reports are reviewed and if applicable, follow-up on corrective action measures are taken. Following advances made in financial year 2019, a total of 323 audits were conducted. The audits conducted did not reveal any of the following findings:

- Indebted labor resulting from employee recruitment or placement
- Deceitful employment practices at the time of recruitment.
- Threat or coercion during the employment term.
- Child labor

5. We conduct internal training on our Vendor Code of Conduct to ensure the necessary participants who have direct responsibility for supply chain management are knowledgeable and aware of the issues and concerns surrounding the supply chain involving human trafficking and slavery including mitigating risks within the supply chain of products sourced by Company.
In 2019, as part of our ongoing commitment to invest in training, our Corporate Social Responsibility team participated in third party training led by expert stakeholders addressing a variety of topics including risk management, human rights, and improving labor conditions within the supply chain.

6. We continue to refine the risk assessment process to identify and correct any disparities. Based on our Supply Chain Mapping for financial year 2020, we partnered with an industry expert to conduct Modern Slavery Supplier Risk Assessments on 67 suppliers. The countries that were assessed were Bangladesh, Guatemala, India, Indonesia, Jordan, Kenya, Madagascar, Malaysia, Thailand and Turkey. We continue to work closely with suppliers where areas of improvement were identified including strengthening of internal policies and training. For financial year 2021, Risk Assessments will be expanded to include the following countries: Cambodia, Egypt, El Salvador, Italy, Lesotho, Mexico, Myanmar, Philippines, Nicaragua, Pakistan, Taiwan, UAE, Vietnam.

To download a copy of our Vendor Code of Conduct, please click the following link: http://pery.com/Company/SocialCompliance.

In addition to these steps we have been advancing PEEL’s training of modern slavery for staff and suppliers. In particular:

• As part of building on our internal training program, we partnered with a third party to provide web-based training on modern slavery and human trafficking. The program launched in 2018 and was geared towards ensuring that all staff understands what modern slavery is and how to identify it. It also helps to ensure that all those involved in procurement and engagement with our suppliers are attune to the risks and are aware of the importance of bringing matters of concern to our attention, with associates encouraged to report any suspected violations of forced labor, modern slavery/human trafficking to legal.compliance@pery.com.

In 2019 and 2020 we continue to develop our training program in the United States and Mexico.

OUR CONTINUED COMMITMENT

The Company also recognizes the role it plays within the wider sector and has been expanding its involvement in relation to tackling modern slavery in the industry more generally.

In 2018, we joined the American Apparel & Footwear Association’s (“AAFA”) and Fair Labor Association’s (“FLA”) Commitment to Responsible Recruitment (“Commitment”), https://www.aafaglobal.org/AAFA/Solutions_Pages/Commitment_to_Responsible_Recruitment

a proactive industry effort to address potential forced labor risks for migrant workers in the global supply chain. Per the Commitment:

“As an industry and as individual companies, we are committed to the fair treatment of workers in the apparel, footwear, and travel goods supply chains. One important part of this ongoing effort is working together to eliminate conditions that can lead to forced labor in the countries from which we source products.

We commit to work with our global supply chain partners to create conditions so that:

• No workers pay for their job;
• Workers retain control of their travel documents and have full freedom of movement; and
• All workers are informed of the basic terms of their employment before leaving home.
Therefore, companies who sign the Commitment to Responsible Recruitment agree to do the following:

1. Incorporate the Commitment to Responsible Recruitment into their company social compliance standards, such as their code of conduct, before December 31, 2019;
2. Periodically report on their actions to embed elements of the Commitment to Responsible Recruitment in company’s policies and processes through their sustainability reporting and/or modern slavery legal disclosures.”

As of the publishing date of this statement, PEEL has satisfied the requirements of the Commitment within PEEL’s Tier 1 suppliers. In 2019, we enhanced our Migrant Employee policy and incorporated the Commitment to Responsible Recruitment into our Social Compliance standards. The standards were reviewed and approved by the AAFA and FLA. The updated policy was disseminated to all direct suppliers and was integrated into our Onboarding Package for new suppliers. Additionally, we signed The House of Lords of the United Kingdom’s Modern Slavery pledge committing to:

Use our collective power to empower, whatever it may be, to empower those vulnerable to slavery, to advance emancipation, and to promote access to decent work, by taking the following actions:

• Mapping out and assessing modern slavery risks starting with tier 1 (Cut, Make and Trim) of our supply chain and own operations.
• Working collaboratively with others, including civil society organisations, to develop tools and resources for raising awareness on modern slavery risks,
• Training all relevant employees to understand modern slavery issues and risks within our business and supply chain.
• Publishing, and continuously building on our Modern Slavery Statement to demonstrate transparency and due diligence in line with any amendments made to the Modern Slavery Act.
• Participating in an annual session and demonstrating the willingness to learn, engage and collaborate with others, whilst taking accountability for modern slavery risks in our supply chain.

In addition, we implemented a cotton policy prohibiting the use of cotton from Uzbekistan/Turkmenistan as part of our Zero Tolerance commitment to any form of forced labor and child labor. The policy was distributed to all direct supplier and producers and was incorporated into our Welcome Package for onboarding new suppliers.
CLOSING STATEMENT

This statement is made pursuant to section 54(1) of the UK Modern Slavery Act 2015 and constitutes our slavery and human trafficking statement for the financial year ending February 1, 2020.

This statement was approved by the Board of Perry Ellis Europe Limited.

Signed

Darren Brown

Darren Brown (Dec 30, 2020 10:49 GMT)
Darren Brown
Corporate Secretary, Perry Ellis Europe Limited
December 2020

*Due to COVID-19, the submission of this statement was delayed.*