

NEW LOOK

1. Responsible Entry and Exit Policy

A responsible exit from factories begins with a responsible onboarding and the development of long-term partnerships. New Look believes in working closely with suppliers and factories to ensure that both onboarding and exit processes are conducted responsibly, to minimise the impact on the factory, but most importantly on the workers.

1.1 Responsible Entry (Onboarding) Policy

All suppliers must follow the factory registration process detailed in the supplier manual. To ensure a responsible onboarding, the following will need to be considered:

- Whether there is a need for a new factory.
- Available capacity in the new factory.
- Planned volume of New Look orders in the new factory.
- Factory technical capabilities.
- Any unaddressed ethical issues.
- Plans for a long-term/strategic partnership with the factory.

It is imperative that the above conditions are considered when entering a new relationship with a factory, to prevent any negative impacts on workers.

1.2 Responsible Exit Policy

New Look requires all factories delisted to be exited in a responsible way, to ensure that the impact is minimal for all parties.

Reasons for exiting a factory may include but are not limited to:

- Factory closure.
- Supplier delisted and therefore the factory will be exited.
- Product or quality issues.
- Lack of capacity.
- Severe violations to New Look's Ethical Aims or local law that have not been addressed for a length of time.
- Criminal activity.
- Bribery and/or corruption, depending on the severity.

Please note that in line with the Supplier Agreement, should there be a material breach of the legal terms and conditions of trading with New Look, we reserve the right to end the business relationship at any point.

If the impact upon exiting is great, measures will need to be taken to mitigate the impact and offer support to the factory. This will be done through collaboration between New Look, the supplier and the factory. We understand there are many risks associated with the impact upon exiting a factory. These risks include but are not limited to:

Risk to Workers	Risk to Community	Risk to Factory	Risk to Supplier	Risk to New Look
Lack of work, which could lead to a loss of job.	Lack of jobs for the community.	Loss of income, resulting in worker redundancies.	Damaged relationship with factory.	Damaged relationship with supplier and/or factory

NEW LOOK

Redundancy.	Negative impact on families due to less income.	Unable to attract new customers due to negative impact.	Financial difficulties due to less orders.	Lack of suppliers and factories wanting to work with New Look.
Financial hardship.	Locals moving away to find work.	Increased costs if redundancies are necessary.	Unable to attract new customers due to negative impact.	Damaged brand reputation.

New Look's process for a responsible exit is as follows:

1. Initial Risk Assessment

The supplier and/or New Look will need to determine the reason for exiting the factory. As outlined in the supplier manual, the responsible delist form will need to be completed for every factory exited. Firstly, a notice will need to be issued to the factory being exited in advance, so all parties are aware of the exit and can work together to minimise the impact. This will enable an open conversation and promote transparency.

2. Internal Engagement

New Look will ensure that the relevant internal stakeholders are aware of the factory exit, to efficiently manage the reduction of orders and to highlight any areas that need to be considered as part of the impact assessment.

3. Impact Assessment

To understand the impact upon exiting, an impact assessment will need to be conducted. The responsible delist form will support in guiding what questions to ask when completing the impact assessment. It will need to cover all the risk areas mentioned in the table above, including impact on volume, potential redundancies, negative community impact. A timeline will need to be agreed in writing between all parties, that puts the interest of the factory and workers first.

4. Ongoing Monitoring

If the impact is great and workers are to be made redundant, the factory should provide the affected workers with a notice in advance, and work with the supplier and New Look to ensure that the process is smooth. Where possible, NGO's and trade unions will be introduced to support workers with their needs. Together, the workers should be supported in finding alternative employment and be allowed time to do this. All necessary payments must be paid according to local law.

The situation in the factory must continue to be monitored after factory exit, to ensure that any negative impacts are mitigated through stakeholder collaboration.