

INSPECS GROUP MODERN SLAVERY REPORT

INTRODUCTION – OUR COMMITMENT

This is our fourth Modern Slavery Statement published in accordance with the Modern Slavery Act 2015 (MSA). One of our key principles is “to treat everyone fairly and with dignity and respect”. This includes those from within our business and those within our supply chain.

CORPORATE SOCIAL RESPONSIBILITY

It is our corporate responsibility to protect human rights and seek to ensure that our high-quality products are sourced and manufactured in a fair, ethical, environmentally and socially responsible way.

The business is responsible for the end-to-end processes and procedures which are established to ensure traceable quality control and transparency through the Group’s operational processes, from design to distribution.

The Group’s approach to sustainability seeks to address both environmental and social impacts, whilst meeting client demands.

We seek to ensure that our partners and affiliates have similarly high standards, respect local laws and customs along with meeting international laws and regulations. We will never knowingly deal with any organisation which is connected to slavery or human trafficking.

‘WE BELIEVE THAT EVERYONE SHOULD BE TREATED FAIRLY, WITH DIGNITY AND RESPECT. THAT’S WHY WE’RE AGAINST ALL FORMS OF MODERN SLAVERY, EVERYWHERE’

BUSINESS AND ORGANISATION OVERVIEW



80+

COUNTRIES OF DISTRIBUTION



4

MANUFACTURING SITES



1800

GLOBAL WORKFORCE



75k

GLOBAL POINTS OF SALE

GLOBAL DISTRIBUTOR

Industry benchmark manufacturing, from frames to lenses to complete frame-and-lens packages. Through our network of 75,000 optical and retail outlets across 80 countries, our products are sold both in well-known high street chains and by independent opticians.

Inspecs Group has a global manufacturing footprint located in China, Vietnam, Italy and the UK. For our materials, components, and other manufacturing materials (packaging, chemicals etc.) we have a diverse and global supplier base. We also work with indirect suppliers (including contractors) who provide maintenance and cleaning services.

GOVERNANCE, OPERATIONAL POLICIES, PROCEDURES AND RECRUITMENT PRACTICES

Overall governance and monitoring of social sustainability topics, including our human rights work sits with the board of directors. The Environmental, Social, and Governance (ESG) Committee will collaborate with representatives from across the Group on social sustainability topics including minimising modern slavery risk across our global operations and supply chain.

GOVERNANCE, OPERATIONAL POLICIES, PROCEDURES AND RECRUITMENT PRACTICES continued

As part of our commitment to combating modern slavery, and to conduct business in an ethical and transparent manner, along with mitigating risk of non-compliance, we have the following policies within our organisation:

- Anti-Slavery and Human Trafficking
- Whistleblowing
- Safeguarding
- Anti-harassment and Bullying
- Equal Opportunities

Our policies also invite all staff to contribute to the development of processes and provide suggestions as to how the group may improve its governance and risk management framework, processes and controls.

Our whistleblowing policy provides guidance for individuals who wish to report any concerns or potential violations of our policies, including our anti-slavery and human trafficking policy. Each of our business divisions has access to an externally facilitated whistleblowing hotline that enables all employees to raise any concerns that they might have without fear of reprisals. As part of our commitment to continually strengthen our reporting mechanisms, at both a local level and group level, and improve worker voice, we further developed our group whistleblowing policies and procedures this year to provide additional confidential communication channels and contact points. We will continue to monitor existing channels across the group and respond to employee feedback to ensure our reporting procedures remain effective and consistently managed. We are pleased to confirm that no modern slavery or unfair labour incidents have been raised or reported to date.

We continue to enhance our efforts to harness a fair and ethical working environment. During 2022 we have developed our Group Code of Conduct and Group Human Rights policy to ensure a united policy where everyone is treated fairly and with respect.

We operate to high ethical business, employment, and recruitment standards across all our global operations. We recognise that responsible recruitment is an essential tool in combatting modern slavery and preventing human trafficking. Our internal recruitment standards acknowledge the importance of robust recruitment practices and serve as a reference point for management and employees.

In order to minimise our exposure to risks that may arise in relation to slavery and human trafficking, we always aim to recruit staff directly and do not make frequent use of temporary workers sourced through an intermediary or employment agency.

All Group companies report on human rights, along with any control measures they have implemented, over the course of the year to prevent modern slavery. Updates are provided to the Group ESG team at least annually via the Diginex ESG platform. If any adverse human rights impacts are detected, Inspec Group will collaborate with relevant stakeholders and instigate processes to enable immediate remediation of the situation.

Inspec Group policies are reviewed and updated regularly to confirm content remains relevant and consistent with the Company's strong commitment to protecting human rights.

DUE DILIGENCE PROCESSES

The Group strives to maintain the highest standards of ethical integrity and expects the same of its business partners, employees and affiliated parties.

Owning our own manufacturing sites ensures the group has high levels of traceability throughout the supply chain and can maintain quality control to high standards. The Group's sites are subject to regular independent audits by its global retail customers and licensors. In addition to the company's policies and internal risk management activities, these independent audits evidence that governance and industry standards are being maintained, and legal and regulatory requirements are being met.

We assess suppliers to ensure they can support the business and take steps to consider any areas of risk. Inspec Group always seeks to partner with suppliers who share our strong commitment to upholding human rights and adhere to international labour standards. Ethical audits are undertaken at first-tier supplier sites using an industry-wide and internationally recognised audit methodology such as SMETA (Sedex Members Ethical Trade Audit) four pillar audit or Amfori BSCI. If any areas of non-conformance are found, sites must take corrective actions to resolve the non-conforming practices within the time frame specified in the audit. We recognise there are limitations in audit investigations. Our approach includes ongoing dialogue with suppliers, workers, and with worker representatives through various channels to better understand their needs and perceptions.

MANAGEMENT AND COMPLIANCE

The Group's risk appetite is determined by the Board. Our enhanced risk management framework provides that we will not tolerate slavery or human trafficking within our supply chains. Any allegations made about modern slavery within Inspec Group or our wider supply chain are escalated internally and investigated without undue delay. Depending on the severity of the violation, potential actions available range from; discussions with suppliers around remediation and/or termination of the contract.

While modern slavery can be found among any population, we recognise that certain groups are particularly vulnerable to the risks of modern slavery, including:

- Domestic and foreign migrant workers
- Contract and agency workers, particularly those working within our distribution networks
- Vulnerable populations (e.g., refugees)
- Young or student workers

We also recognise a heightened risk of modern slavery in manufacturing sites located in China and Vietnam.

We actively manage our relationships with third-party agents and suppliers to mitigate any potential risk of modern slavery. The Company requires those who are charged with providing products or services to conduct robust checks on any potential new employee, including eligibility to work in the relevant country, to safeguard against human trafficking or individuals being forced to work against their will.

We take proactive steps at our own factories to create safe environments that are low risk for modern slavery and human trafficking. Steps taken include the implementation of systemic work verification measures and the use of third-party auditors who are knowledgeable in local law, attuned to factory risks, and speak local language(s) to check compliance at higher risk factories.

Inspecs Group is proud of the organisation's culture and corporate ethos, and the collaborative relationships our staff actively maintain with customers and suppliers externally. Our organisation's culture and the approach we take when dealing with clients, partners, advisors and other third parties has been instrumental in ensuring that we have low levels of staff turnover and few changes in the supply chain.

We understand that geopolitical events have created, and continue to create global economic and social disruption, putting vulnerable groups identified above at greater risk of exploitation. The Group recognises that the ongoing economic and labour market changes resulting from events such as the pandemic will likely exacerbate underlying factors driving modern slavery, including poverty, limited access to decent work opportunities, lack of quality education and the prevalence of the informal economy.

Inspecs Group is committed to taking practical steps to proactively mitigate existing and emerging modern slavery risks within our supply chain. All key business decisions are based on a risk analysis, and we will continue to make decisions by putting employee and supplier safety first. With all our continuing operations, this will be conducted in line with local laws, guidelines and best practices.

TRAINING

The company's formal training and induction processes for new staff are firmly established across the Group. The standard and behaviours expected of our employees are detailed within a number of policies and codes of conduct, in addition to those listed above. All new employees have access to company policies as part of an induction, and participate in training as required.

Our factories in China and Vietnam continue to provide modern slavery training to employees working in various departments including HR and procurement to enhance awareness and understanding of modern slavery risk indicators and ethical standards across business functions.

Management and support staff remain mindful of their duty and legal obligation to escalate any matters of concern in relation to human rights abuses, in line with company policies. All our employees are encouraged to identify and report any potential breaches of the organisation's policies within the wider understanding of whistleblowing.

COMMITMENT

As a global supplier and brand partner with a world-wide distribution network, we understand that there is risk of modern slavery taking place in supply chains. Having considered a range of factors, including the nature of our products, the sector in which we operate, the various group policies and procedures in place, and independent audits carried out across the globe, we believe that the company is at low risk of exposure to slavery and human trafficking. We are not aware of any areas of our operations and supply chain where there has been a breach of the Modern Slavery Act 2015. Recognising that the human rights risks may change over time as the business enterprise's operations and operating context evolve, we will continue to:

- Re-evaluate the exposure to the risk of modern-slavery occurring in our supply chain
- Review and enhance our governance and risk management frameworks
- Monitor external adviser independent assessments, due diligence and assurance work to ensure we comply with legal and regulatory obligations
- Apply appropriate risk-based due diligence processes to mitigate risk of non-compliance with the Act
- Continually review our induction and training programmes to support our zero-tolerance approach to human rights abuses
- Continue training to our Board, executive leadership team and key members of the global procurement and supply chain teams to build on their understanding
- Work with stakeholders across the group to develop key performance indicator metrics as a tool to monitor compliance with the group's governance frameworks and policies.

This Modern Slavery Statement was approved by the Board on 11th May 2023.

Signed:

