

MODERN SLAVERY STATEMENT 2024—25

UK Modern Slavery Act &
Forced Labour in Canadian Supply Chains Act
Statement

BESTSELLER



UK MODERN SLAVERY ACT & FORCED LABOUR IN CANADIAN SUPPLY CHAINS ACT STATEMENT

Introduction

This report has been prepared on behalf of BESTSELLER A/S and its subsidiaries (collectively “BESTSELLER”) in accordance with the reporting requirements under the Modern Slavery Act (UK) and the Fighting Against Forced Labour and Child Labour in Supply Chains Act (Canada).

BESTSELLER is committed to respecting human rights as outlined in applicable law and in internationally agreed standards, including ILO conventions, the UN Guiding Principles, and OECD Guidance. This commitment applies across our global operations and partnerships.

While we strive to uphold all human rights, we pay special attention to the most salient risks in our value chain, where we assess the potential for severe adverse impact is highest. We engage continuously with rights holders, their representatives, experts, peers, and other stakeholders to assess actual and potential impacts throughout our value chain.

In line with the UK Modern Slavery Act and Canada’s Forced Labour Act, and with the authority to represent all BESTSELLER entities, I confirm that this statement is accurate and complete for the financial year 2024/2025.



Anders Holch Povlsen
CEO & Owner



Our Business model

Founded in 1975, BESTSELLER is a fashion company with a family of brands catering to every demographic. Our commitment to quality and affordability has been a core value throughout our journey from a single store in Denmark to selling products in more than 90 countries globally.

As a global fashion company, we recognise the importance of strong partnerships throughout our value chain. Our success hinges on being the preferred supplier for our customers and the most valued customer for our suppliers.

Through our wholesale operations, we collaborate with close to 16,500 multi-branded retailers, department stores, and online platforms. Additionally, we have 3,100 retail stores in 47 countries. Around 480 of those stores are run by long-standing partners.

We are dedicated to incorporating sustainability practices into every aspect of our operations, from material sourcing to production, logistics, and promoting reuse and recycling to extend product lifecycles. We are proud of our dedicated team of 25,000 colleagues.



Materials

Collaborating with suppliers to increase the amount of products made with certified and branded materials.

Design

Working closely with suppliers to create styles that reflect our brands' identity and meet customer needs.

Buying

Evaluating trends, supplier input, and successful styles to inform buying decisions.

Sales

Introducing collections to sales teams for engagement with wholesale and retail partners.

Production

Working with suppliers on optimising their operations including within social and environmental areas.

Logistics

Collaborating with logistics partners to transport products from suppliers to distribution centres.

Multi-channel

Distributing products across retail, wholesale, and e-commerce channels.

Shoppers

Engaging with consumers, enabling them to make more informed purchase decisions.

I. GOVERNANCE, POLICY FRAMEWORK AND MANAGEMENT SYSTEMS

Introduction

Respecting human rights is at the core of BESTSELLER's values and constitutes one of the three main pillars of our Fashion FWD Sustainability Strategy.

FAST

BESTSELLER's Fashion FWD strategy ultimately rests with the board of directors and executive management. To guide the implementation of the Fashion FWD strategy, we have established FAST – a Focused, Action-oriented Sustainability Taskforce comprised of management representatives from brands, markets, relevant business units, and chaired by our CEO. FAST is coordinated by our Sustainability Department and adjourns frequently to set the strategic direction for all of BESTSELLER and to make operational decisions across our business.

During the reporting period, and as part of our strategic review, FAST discussed a wide range of human rights related risks, efforts and goals. No critical cases related to forced labour or child labour were identified and tabled before FAST during this period.

Dorte Rye Olsen
Head of Sustainability

"FAST is a prerequisite for us to take joint, action-oriented and mutually binding decisions that covers our entire value chain".



Policies

BESTSELLER’s overarching Human Rights Policy the overarching aspirations and framework for our human rights efforts. This policy is seconded by a range of underlying policies such as our internal Code of Ethics, our Suppliers Code of Conduct and a range of issue specific policies and standard operating procedures detailing our commitments and expectations to the ethical conduct of our suppliers.

A list of some of the prominent policies (including our Forced Labour and Child Labour Policies) can be found on [bestseller.com](#). This policy framework, combined with our Factory Standards Programme (further elaborated below), constitutes our systematic approach to respecting human rights with our business partners in the supply chain, which covers the 11 indicators of forced labour identified by the ILO.

Human rights related supply chain policies include:

- [Suppliers Codes of Conduct](#)
- [Child Labour Policy](#)
- [Forced Labour Policy](#)
- [Migrant Labour Policy](#)
- [Homeworking Policy](#)
- [Unauthorised Subcontracting Policy](#)
- [Gender Identity-Based Violence Policy](#)
- [Responsible Offboarding policy](#)



Respecting human rights in daily operations

Our brands, markets, and specialised teams in sourcing, PEOPLE/HR, Legal and Sustainability all play key roles in upholding human rights across our daily operations. In BESTSELLER, we adopt a risk-based approach to human rights. In practice, we focus our attention on those segments of our value chain where we have assessed that BESTSELLER faces the greatest risk of causing, contributing to, or being directly linked to human rights violations.

Owned and operated workplaces

Based on BESTSELLER’s business model we assess human rights risks at our owned and operated entities to be relatively low and the risk of causing forced labour and child labour at our own workplaces to be minimal. Having adopted a risk-based approach to human rights, our efforts to prevent forced labour and child labour for our 25,000 internal colleagues primarily rest with our PEOPLE/HR department and predominantly consist of robust procedures during hiring processes (e.g. by checking age, working permits) and our mandatory Code of Ethics Training. Finally, colleagues are encouraged to “speak up” to their management, the local PEOPLE/HR organisation or during biannual employee surveys. As a last resort, colleagues can raise concerns through our whistle-blower function described in further detail below.

BESTSELLER’s approach to Supply Chain Due Diligence

In BESTSELLER, implementing due diligence and business practices is a shared responsibility across brands and our Global Supply Chain and Sustainability departments. For human rights due diligence, we adopt a two-pronged approach, where our Factory Standards Programme and Social Impact Programmes operate in parallel with the near supply chain partners to cascade our ethical requirements to their operations and their upstream supply chains. At the same time, we engage in the deep supply chain with materials producers, multistakeholder initiatives and solution providers to enhance transparency, traceability and responsible business conduct in tier 4 and downstream.

The near supply chain

Our products are crafted by more than 400 suppliers and 700 factories in 15 countries. We prioritise working closely together with these partners to keep improving manufacturing practices and empower the more than 750,000 people employed at the factories. Our Public Factory List includes a full account of our tier 0 suppliers, tier 1 factories as well as our approved materials suppliers (tier 2).

BESTSELLER’s due diligence directed towards our direct suppliers (tier 0), cut-to-pack factories, embroideries, washing, dyeing, printing and finishing facilities (tier 1), and approved materials suppliers (tier 2) is led by our Responsible Sourcing team.

Efforts are coordinated by our headquarters teams and implemented on the ground by the Social & Labour and Chemical & Environment Specialists based in our regional sourcing offices. Approximately 45 labour rights, chemical and environmental experts work full-time to uphold, monitor and develop supplier compliance with our standards. These teams operate out of our regional sourcing offices in China, India, Bangladesh, Pakistan, Türkiye, Myanmar, and Cambodia. Together, these seven countries account for more than 93 percent of our tier 1 factories, and more than 95 percent of garments sourced.

The deep supply chain

Traditionally, the textile and garment industry has had limited transparency into its materials producers such as cotton farming (tier 4) and processors such as ginner and spinners (tier 3). As mentioned above our approach to ensuring responsible business conduct in the deep supply chain is by working directly with materials producers and by actively engaging in multistakeholder initiatives to enhance transparency, traceability and responsible business conduct in the deep supply chain.

BESTSELLER
owned and operated
workplaces



The near
supply chain

The deep
supply chain



I.
Governance, Policy framework
and Management systems

II.
Risk, Impact and Opportunity
Assesments

III.
Cease, Prevent and Mitigate
Human Rights Abuses

IV.
Track Implementation,
Communication and Remediation

II. RISK, IMPACT AND OPPORTUNITY ASSESSMENTS

Our value chain	Tier 4 & 3	Tier 2	Tier 1
	Deep supply Chain	Materials suppliers	Factories
	Refers to raw material producers (tier 4) and fibre processors (tier 3). BESTSELLER collaborates with various solution providers and multi stakeholder initiatives to enhance transparency and traceability into these tiers.	Refers to materials suppliers, including fabric and trim suppliers, as well as tanneries. Our Public Factory List includes our list of tier 2 Approved Materials Suppliers.	Refers to factories involved in the crafting of our products. All factories are subject to the standards outlined in our CoC and related supply chain policies and are routinely assessed as part of BESTSELLER's Factory Standards Programme.
	High human risk	High/Medium human risk	High/Medium human risk

Introduction

In BESTSELLER, we regularly conduct risk, opportunity and impact assessments across our value chains. We see these assessments of actual and potential impacts as a natural part of being a long-term responsible, profitable and successful business.

Tier 0			
Suppliers	Owned & Operated	Customers	Textile waste
BESTSELLER places orders with tier 0 suppliers, that have gone through our onboarding process, during which they sign BESTSELLER's Supplier Agreement, whereby they agree to uphold our Code of Conduct (CoC) and related policies.	BESTSELLER's own entities operate in less challenged parts of the value chain and under internal PEOPLE (human resource policies and procedures).	BESTSELLER's customers operate in less challenged parts of the value chain.	Textile waste can be divided into pre-consumer and post-consumer waste. Both can be associated with a range of human rights related issues (including forced and child labour).
Low human risk	Low human risk	Low human risk	High human risk

Risk assessments

BESTSELLER systematically maps and evaluates Human & labour rights risk assessment in its near supply chain through a continuous, multi-stream process that combines global and local risk assessments, stakeholder consultations, and real-time factory monitoring.

Risks are prioritised based on severity, likelihood, and the potential for irremediable harm, with special attention given to issues where BESTSELLER or its partners actually or potentially have the most significant adverse impacts. This risk identification is both data-driven and responsive to changing conditions, enabling targeted mitigation and continuous improvement across the supply chain.

The table shows the identified salient human and labour rights risks across BESTSELLER’s tier 1 supply chain in our key sourcing countries for the FY24/25.

Human risk identification

- Low
- Moderate
- High
- Very High

Results of annual salient human and labour rights risk identification assessment 24/25

RISK AREA	INDIA	CHINA	PAKISTAN	CAMBODIA	MYANMAR	TÜRKIYE	BANGLADESH
Forced Labour	Moderate Risk	Moderate Risk	Moderate Risk	Moderate Risk	Moderate Risk	Moderate Risk	Moderate Risk
Child Labour	Low Risk	Low Risk	Low Risk	Low Risk	Low Risk	Low Risk	Low Risk
Gender Based Violence & Harassment (GBVH)	High Risk	Moderate Risk	High Risk	High Risk	High Risk	High Risk	Very High Risk
Freedom of Association (FOA) and Collective Bargaining Agreement (CBA) FOA & CBA	High Risk	High Risk	High Risk	High Risk	Very High Risk	High Risk	High Risk
Workplace Dialogue & Grievance Mechanisms	High Risk	High Risk	High Risk	High Risk	Moderate Risk	Moderate Risk	High Risk
Wages & Benefits	High Risk	Moderate Risk	High Risk	Moderate Risk	Very High Risk	Moderate Risk	Very High Risk
Excessive Working Time	High Risk	High Risk	High Risk	High Risk	High Risk	High Risk	Very High Risk
Occupational Health & Safety (OHS)	High Risk	High Risk	High Risk	High Risk	High Risk	Very High Risk	High Risk
Discrimination & Employee Treatment	High Risk	Moderate Risk	High Risk	High Risk	Moderate Risk	Moderate Risk	High Risk
Extreme Temperatures	High Risk	Low Risk	High Risk	High Risk	High Risk	Low Risk	High Risk

Owned and operated workplaces

BESTSELLER’s owned and operated workplaces are primarily made up of offices, branded stores and distribution centres primarily located in Europe. Here, human rights risks in general, and particularly risks associated with forced labour and child labour, are assessed to be minimal. The most prevalent risks for our colleagues working in our own workplaces centre around any potential lack of compliance with national legislation within topics such as working conditions, wage levels, GDPR, personal security as well as diversity/equity/inclusion, discrimination, harassment and health and safety.

While BESTSELLER has a range of relevant policies, procedures and efforts in place to counter these risks, this is outside the scope of this report.



Near supply chain — Forced labour

We have assessed the risk of forced labour to be of a moderate level across our tier 1 supply chain in our key sourcing countries for FY24-25.

BESTSELLER requires all suppliers to proactively identify, prevent, and remediate any risks related to forced labour. Our policy is grounded in international frameworks and includes the expectation that suppliers establish effective management systems capable of detecting and addressing forced labour. All workers must be provided with clear, legal contracts in a language they understand and must be fully informed of their rights, including the right to refuse work. We expect suppliers to train relevant personnel on forced labour policies and procedures and ensure the availability of accessible, well-communicated grievance mechanisms, free from retaliation or discrimination.

BESTSELLER supports suppliers through ongoing risk assessments and training initiatives, and engages with local and international stakeholders to strengthen systemic responses to forced labour risks.

We assess suppliers to ensure that all work, including overtime, is performed voluntarily and without coercion. Workers must be free to terminate their employment at any time without facing penalties, and their freedom of movement must not be restricted. The forced labour related assessment also includes the prohibition of prison labour and the requirement that access to essential needs such as food, drinking water, toilets, and medical facilities is never obstructed.

In suspected cases, BESTSELLER prioritises the safety and well-being of the worker and mandates full supplier and factory cooperation. We may also escalate matters according to our escalation protocols if collaboration or remediation efforts are insufficient.



Near supply chain — Child labour

We have assessed the risk of child labour to be of a Low level across our tier 1 supply chain in our key sourcing countries for FY24-25.

BESTSELLER does not accept child labour. Our Code of Conduct articulates that no children under the age of 15 can be employed in factories producing for us, or older if required by national law. For young workers under the age of 18, we require that they may only carry out legally defined light work, and their rights must be fully protected.

As per our Child Labour policy, we require suppliers to adopt hiring policies with clear age requirements and implement effective age verification systems, maintaining accurate records to prevent the employment of underage workers. Children must never be present in production areas, and childcare facilities must be clearly separated from workspaces. BESTSELLER requires all suppliers to up-

hold our child labour standards, support them in addressing any gaps we identify, and not engage with partners who violate these standards or fail to maintain adequate safeguards.

We ensure that all suppliers are knowledgeable about our child labour policy and requirements, and supplier prevention systems are regularly assessed against it. In the event that child labour is identified, interventions will always prioritise the child’s best interest, including removal from the workplace, continued wage support, educational placement, and employment opportunities for a responsible adult family member. We commit to working closely with suppliers and local stakeholders to implement remediation and reserve the right to cancel orders or terminate business relationships where necessary.

Rights holder involvement

All on-site factory assessments involve employee interviews, which are conducted in a safe environment without management being present. Further, we constantly seek to strengthen our worker engagement processes. One example is our efforts to facilitate enhanced and safe dialogue with rightsholders, in which BESTSELLER has piloted the Ulula Worker Voice tool in Myanmar, China and Pakistan, accessible via smartphone or IVR (interactive voice response) for workers without smartphones, along with the Ulula Grievance Mechanism in Myanmar, as additional dialogue tools to capture workers’ voices.

All local Social and Labour teams are in regular contact with worker representatives, such as unions and worker representative committees. Both local and head office teams engage with organisations that include worker perspectives, such as the International Accord, ACT and national ETIs. These inputs are integrated into the country-level and supply chain-wide risk identification and assessment processes.



Deep supply chain

BESTSELLER collaborates with supply chain partners, peers and multi-stakeholder initiatives to understand and mitigate environmental and human rights risks in the parts of our supply chain where we do not have direct business relations. This mainly encompasses the production of raw materials (tier 4) as well as raw material processing (tier 3). In particular, in the production of natural fibres such as cotton, we assess the risk of human rights violations to be high. This assessment is supported by substantial and widely available evidence, as well as insights from our internal double materiality assessment of risks, opportunities, and impacts within our own value chain.

Traditionally, the fashion industry has had a limited focus on transparency and traceability in the deeper supply chain. To be able to account for and mitigate the industry’s adverse impact on the environment, people and societies, it is imperative that the industry enhances transparency and traceability into these tiers.

Read more on how we work to address these risks and raise transparency, traceability and responsible business conduct below.



III. CEASE, PREVENT AND MITIGATE HUMAN RIGHTS ABUSES

Owned and
Operated
workplaces

As described above, it is BESTSELLER’s assessment that our human rights risks in owned and operated workplaces are low, and the risks of forced and child labour are even lower.

The most prevalent risk for colleagues working in our owned and operated workplaces centres around compliance with national legislation within topics such as working conditions, wage levels, GDPR, personal security as well as diversity/ equity/inclusion, discrimination and harassment. Our PEOPLE/HR organisations at market level are responsible for ensuring that employment contracts, working permits, working hours and conditions comply with national legislation.

If a BESTSELLER employee perceives that any human right is violated at our workplaces, she/he is encouraged to speak up to management, the local PEOPLE/ HR organisation or raise concerns as part of our externally administered employee engagement survey: “Our People’s Voice” (OPV).

As a last resort, employees can raise concerns through our whistleblower function administered by our parent company, HEARTLAND.



The Factory Standards Programme is our primary tool for holding suppliers accountable to our social and labour, environmental and chemical requirements, which includes ILO core labour standards (including forced labour and child labour) and aligns with national legislation.

The programme is seconded by our Social Impact Initiatives that seek to strengthen the capacity of suppliers, factories, workers and communities to understand their roles and responsibilities and to forge joint solutions to social challenges.

All approved production units are subject to the Factory Standards Programme, which means they are subject to on-site assessments. On-site visits can be announced, semi-announced or unannounced. These assessments evaluate compliance with our Code of Conduct, which explicitly prohibits forced labour and child labour, and cover over 150 indicators of risk, including:

Child labour and young workers
Forced labour and coercion
Working hours and wage practices
Freedom of association and grievance mechanisms
Health and safety standards

The Factory Standards Programme is a continuous quality assurance process that requires documentation inspection, worker interviews, and on-site visits. BESTSELLER’s standard assessment verification cycle is 18 months. However, the majority of suppliers and their factories are visited at least once per year by our Social & Labour Teams and/or Chemical & Environment Teams, to maintain a strong dialogue and to capacitate suppliers to develop their performance.

During the reporting period, BESTSELLER performed a total of 967 onsite visits and audits. This figure includes both visits conducted by BESTSELLER’s own teams and by third-party auditors. Here’s the breakdown:

Total onsite visits by BESTSELLER teams:	808
Total onsite visits by third party auditors:	15
Total onsite visits:	967

These visits covered initial and routine social & labour assessments, onsite remediations, follow-up visits, and pre-assessments across all key sourcing countries. In addition to this direct engagement with suppliers and factories, BESTSELLER engages with our peers, suppliers, workers and other relevant stakeholders through a range of Social Impact Initiatives to maintain and further develop our business practices.

Non-compliances with our ethical standards are tracked along with the resulting Corrective and Preventive Action Plans (CAPARs), which are developed and implemented in collaboration with suppliers and factory management. In this way, thousands of concerns and non-compliances are being resolved. The data from each factory assessment is fed into our internal Supplier Sustainability Evaluation System, which is shared with colleagues at the brand level to enable them to make informed purchasing decisions.

Focusing on forced labour

An example of how we define and remediate a major concern related to forced labour would be if employees are not permitted to take leave on specific work-days despite being legally entitled to do so. Remediation will be by requiring the factory to immediately end the practice and provide training for the management on proper employee rights and treatment. An example of a critical case could be when employees are financially penalised by losing their attendance bonus if they refuse overtime. When this violation is systematic, it constitutes a clear breach of BESTSELLER’s standards, where we instruct the factory to immediately cease the practice and adopt necessary policies, along with management training to prevent its recurrence.

Looking into cases that are directly linked to forced labour, we did not find any critical or major cases. However, we identified three minor issues; one was remediated, and two are still in progress.

Focusing on child labour

Our country assessments show child labour risk at a low level for tier 1 facilities in our key sourcing countries, and actual cases of child labour are something we see very rarely. Minor concerns related to child labour may involve shortcomings in a factory’s written child labour policy or unclear policy language, even when management procedures meet BESTSELLER’s standards. Such cases can be resolved by correcting the policy. However, if no child labour policy is in place, this will then be regarded as a major concern, requiring the development and implementation of an adequate prevention policy.

A critical concern regarding child labour can arise when an underage worker is found. While such incidents are extremely rare, they may typically involve a child one year below the legal working age accompanying a parent to work during school holidays, going unnoticed by factory management.

Any case involving child labour is remediated in accordance with BESTSELLER’s Child Labour Policy

During the reporting period FY24-25, our factory assessments identified four major child labour related concerns, which were all remediated and six minor concerns which four of completed remediation and one was in progress.

	Critical	Major	Minor
Number of concerns	0	4	6
	Critical	Major	Minor (no deadline for minor issues)
Concerns remediated	0	4	1
Concerns in progress of remediation (within deadline, except minor)	0	0	5
Percentage of remediation (within deadline, except minor)	0	100%	17%

Regarding young workers (those who are above the legal minimum age but not yet fully adults), when we find that these employees lack awareness of the specific requirements related to their roles (despite no actual violations occurring), we initiate enhanced training within the relevant factory to promote compliance and understanding.

A major concern under this category would involve non-systematic young-worker violations, such as occasional overtime or insufficient training and supervision. We remediate these issues by ensuring sufficient policies and standard operating procedures are in place, and by providing training for both management and young workers to support consistent adherence to all young worker requirements.

If cases of young workers engaged in night shifts, operating hazardous machinery, or systematically working overtime are identified, we require the factory to immediately discontinue all young worker violations and consider whether the employment of young workers is suitable at all for the production processes they run. If not, employment of young workers must be discontinued with all required policies, procedures and legal requirements for compliant and responsible termination adhered to.

In FY24-25, our assessments did not identify any concerns related to young workers.



BESTSELLER works with a range of solution providers to ensure transparency and traceability of materials used in our products.

One example is our collaboration with Textile Genesis, a traceability platform custom built for the fashion and textile ecosystem. Our partnership focuses on fibre forward tracing of manmade cellulosic fibres and direct-to-farm cotton. During the reporting period BESTSELLER has engaged with the platform to discuss how AI modules can assist in identifying human rights related risks at individual entities engaged in our supply chain.

Another example is our engagement with Better Cotton Initiative (BCI), a multi-stakeholder initiative, accounting for 24% of global cotton production. BESTSELLER has reached its strategic target that 100% of its cotton must be sourced from preferred sources with BCI serving as the minimum requirement. Further, we have actively supported Better Cotton's efforts to develop traceable cotton from the project's inception in 2021 and plan to increase our uptake of traceable Better Cotton in the future. Most importantly, BESTSELLER and three likeminded peers have engaged with BCI leadership throughout the reporting period, to establish a "BCI Brand Due Diligence Forum" with the aim of increasing transparency into BCI's human rights and environmental practices. Secondly, the Forum will support BCI's efforts to assist BCI affiliated brands in delivering on their obligations to conduct efficient and effective due diligence.

Recognising that no single company can address systemic risks in the deeper supply chain on its own, BESTSELLER is focused on improving the performance of our own supply chain while engaging in activities as those described above to enable and inspire the entire industry to move towards more transparent, traceable and not least responsible supply chains.

See BESTSELLER's annual report 2024-25 for further details on the above and other efforts we carry out to enhance transparency, traceability and to lower our negative environmental and human rights related impacts.

Finally, achieving transparency and traceability across global supply chains requires collaborative efforts between brands, the industry and multistakeholder initiatives. Host country specificities, regulations, and to an increasing degree, geopolitics significantly impact the ability to build responsible supply chains and implement effective due diligence. Thus, BESTSELLER strongly supports international regulation aiming to assist companies in carrying out their due diligence ambitions and obligations.



Claus Teilmann Petersen
Stakeholder Engagement
& Human Rights
Manager

"As a fashion company committed to environmental and human rights due diligence, BESTSELLER is a supporter of the originally agreed European Due Diligence Directive (CSDDD). One strong quality of the directive is its alignment with existing due diligence guidance issued by OECD and the United Nations. The EU Omnibus 1 package will dramatically reduce the number of eligible companies and water out requirements. While we understand the Omnibus ambition to simplify and protect, the SME Shield blocks efficient and effective due diligence, leading to more adverse impacts than had the directive not been introduced in the first place. BESTSELLER strongly supports the European garment industry's call for an ambitious, harmonised and risk-based due diligence legislation which creates a level playing-field".

IV. TRACK IMPLEMENTATION, COMMUNICATION & REMEDIATION

Owned and Operated Workplaces

BESTSELLER's globally applicable employee engagement survey (OPV) invites all colleagues across BESTSELLER's global operations to provide anonymous feedback on our employee practices, culture, work mentality, leadership styles and more.

Colleagues are invited to raise any concerns about all aspects of their employment. The survey is conducted twice a year. Managers are responsible for facilitating team check-ins and taking actions on OPV findings locally. Open ended questions enable colleagues to raise any concerns about – or ideas to improve – our employee practices. Naturally this opportunity includes forced labour and child labour concerns.

The overall engagement score for the survey was a satisfactory 80 points, compared to 78 points last year. During the reporting period our employees provided more than 27,000 free text comments through the OPV channel. None of these comments related to child labour or forced labour.

In addition to the normal channels of employee dialogue, BESTSELLER's whistleblower system (provided through our parent company, HEARTLAND) offers an alternative route for the reporting of suspicions or knowledge of serious breaches of BESTSELLER's Code of Ethics or violations of laws within areas such as fraud, competition law, human rights, etc. This system is open to concerns from all BESTSELLER employees and business partners.

Further, none of the the eligible cases received through our whistleblower system in financial year 2024-25 related to child labour or forced Labour.



During the 2024-25 financial year, we identified and solved hundreds of minor non-compliances at factory level and conducted 170 in-depth investigations into allegations of non-compliances with our supply chain requirements.

These cases refer to allegations of critical Code of Conduct non-compliance, as well as escalation procedures for factories that did not meet remediation plans timelines for less critical Code of Conduct violations.

Below is a table of identified escalated cases during the reporting period compared to the previous one:

Human and labour rights cases

Escalated Cases Status	FY 23-24	FY 24-25
Escalated cases raised	97	170
Escalated cases investigated	97	170
Escalated cases dismissed	60	89
Escalated cases concluded with a notification of concern	22	11
Escalated cases concluded with an official warning letter	7	14
Escalated cases concluded with the offboarding of the supplier or factory	1	2
Escalated cases with other conclusions (e.g. no penalty, but training activities initiated, case handed over to RSC, etc.)	3	1
Escalated cases under investigation or resolution at the time of reporting	4	53

In FY24-25, two of these escalated cases were concluded by offboarding the factories in question. One factory was offboarded due to failure to remediate multiple issues, falsification of records, and lack of transparency, while another was offboarded for systemic underpayment of overtime wages. The case was concluded after all outstanding payments were settled. None of these two cases relate to forced labour or child labour.

Most common case type %

FY 23-24	FY 24-25
Employment practices: 32%	Wages and benefits: 29%
Wages and benefits: 26%	Employment practices: 15%
Worker unrest: 14%	Employee treatment: 11%
Working hours: 12%	Worker unrest: 9%
Employee treatment: 9%	Unauthorised subcontracting: 8%

Furthermore, the cases were identified through the following channels.

Data on human and labour rights cases

Cases raised via	FY 23-24	FY 24-25
BESTSELLER Factory Standards Programme & colleagues	20%	28%
Media	20%	25%
Accord/RSC	15%	24%
3rd Party Audit Companies	2%	0%
International NGOs	9%	5%
Local NGOs	7%	1%
Local Federation / Trade Union	10%	3%
International Trade Union	0%	0%
Factory Representative	0%	4%
Anonymous Complainant	1%	1%
Other	15%	10%

*Following a review of historical records, an error was identified in the FY23/24 data reported in the Supply Chain Due Diligence Report 2023–24. The figures in this report reflect correct and verified data for that period.



In BESTSELLER, we take all concerns or suspected violations at our suppliers seriously and conduct thorough investigations to verify such claims. We work across three simultaneous directions that construct a multi-layered grievance framework:

These cases refer to allegations of critical Code of Conduct non-compliance, as well as escalation procedures for factories that did not meet Corrective Action Plans timelines for less critical Code of Conduct violations.

1.	Tier 1 facility-level mechanisms:	Monitored by BESTSELLER's regional team
2.	Country- or industry-level mechanisms:	Such as the International Accord's grievance systems
3.	BESTSELLER-level grievance channels:	Corporate-level process managed by the Responsible Sourcing team for cases within our supply chain and a whistleblower solution managed by HEARTLAND.

During the reporting period, BESTSELLER piloted the Ulula Grievance Mechanism, which provided 3,703 employees in factories in Myanmar with confidential, round-the-clock access to report concerns.



100% of our cotton originates from preferred sources with Better Cotton serving as the minimum requirement for cotton sourced for our products.

During the reporting period, 65% of all materials used in our products were preferred materials (Certified & Branded materials or Better Cotton). Each of the initiatives we engage with has established its own “Decent Work Policies and Strategies”, aiming to enhance social and environmental conditions for everyone engaged in the programmes.

Nonetheless, as mentioned above, ensuring transparency and traceability of commodities in deep supply chains is a difficult task. We engage with our supply chain partners, being it individual suppliers or multistakeholder sourcing initiatives, to fund and tailor the development and adaptation of lasting solutions.

In previous years, these ongoing efforts have resulted in the offboarding of high-risk suppliers and informed our choices of approved sourcing regions. See our Regions of Particular Human Rights Focus Policy for more.



