

Regatta Group: Myanmar Heightened Due Diligence & Disengagement Policy.

As a responsible brand we are deeply concerned by the military coup and ongoing violence against the people of Myanmar. We have built up good working relationships with several business partners who have production operations in Myanmar, and we are committed to supporting the workers welfare at these factories as we disengage responsibly over the months ahead.

All Regatta Group suppliers in Myanmar are foreign owned, and Regatta have a long-term relationship with the owners through ongoing business with their factories in other countries. Our sourcing strategy for going forwards is outlined as below:

- Business level in Myanmar should not grow.
- Where we have other viable markets to source from these should be preferential.
- Current business in Myanmar to be consolidated.
- Heightened due diligence to be followed in Myanmar factories as outlined below.
- Restricted zone list to be followed.

Factories in Restricted areas -

- Where possible move business away from critical unrest areas.
- Where suppliers have factories in other sourcing countries start to migrate orders over to these factories.
- If no alternative reduce business over time and disengage.

Factories in locations away from Yangon –

- Change our required audit to BSCI to provide an Industry recognised benchmark.
- Complete Regatta welfare survey with factory workers and follow up with WC and factory mgmt. for any points raised.
- Complete analysis of workers' wages considering the living wage data from wage indicator.
- Screening of all factory and land ownership documents to eliminate links to the military.
- Ensure Group grievance policy is followed in all factories and work with factories to implement their own policy.
- Ensure all factories have an elected workers committee and a CBA set up.
- Ensure all factories have a designated welfare officer within HR dept.
- All factories to have grievance hotline numbers set up, and grievance boxes available to workers.
- All factories to supply recorded minutes of the monthly WC meetings.
- All factories to supply welfare documents: workers contracts, social insurance documents, proof of bonus payments, earned leave records.
- All factories to supply details regarding workers transport to and from work.
- All factories to provide details of childcare facilities, maternity entitlement, medical services and food supplies provided to the workers.
- All factories to advise which Banking facility they use and checks to be performed.
- Expand our due diligence to third tier suppliers including logistics, to eliminate links to the military.

Restricted zones list:

- *Yangon Industrial Zone (allegedly owned by MEHL)*
- *Pyin Ma Bin Industrial Zone (allegedly owned by MEHL)*

- *Nqwe Pinlae Industrial Zone (allegedly owned by MEHL)*
- *Inndagaw Industrial Zone (allegedly affiliated with the Military)*
- *Special Economic Zones: Dawei, Kyauk Phyu and Thilawa (mentioned by Fair Wear Foundation)*

We have engaged with the MADE in Myanmar project to work with both of our remaining suppliers in Myanmar, and they will continue to complete the SMART Factories Programme on social compliance which is run under the MADE project with a summary of their performance to be shared at the conclusion in 2024.