INTRODUCTION

The Modern Slavery Act 2015 (UK) and other similar measures require businesses to disclose information relating to their efforts to assess and address the risks of modern slavery (including forced labor and human trafficking) in their operations and supply chains.

This Modern Slavery Statement by Peloton Interactive, Inc. on behalf of all our affiliates, including Peloton Interactive UK Limited (Peloton Interactive Inc. and all subsidiaries collectively referred to as Peloton within this Statement), has been developed as part of our commitment to respect human rights worldwide. This statement covers Peloton’s fiscal year ended June 30, 2022, unless otherwise stated.

Peloton is committed to upholding, promoting, and protecting human rights, and we strive to operationalize this commitment in our own workplace and with partners throughout our supply chain. We are committed to a policy of zero tolerance for all forms of modern slavery, and actively work to ensure that our business and supply chains are free from modern slavery. This statement articulates our current approach to implementing a program to realize our commitments in this area.
BUSINESS STRUCTURE AND OPERATIONS

GENERAL BUSINESS INFORMATION
Peloton is the largest interactive fitness platform in the world, pioneering connected, technology-enabled fitness, and the streaming of immersive, instructor-led boutique classes to a community of approximately 7 million Members. We operate at the intersection of fitness, technology, and media, and provide equipment, proprietary networked software, digital fitness and wellness content, and apparel for our Members around the world. Our global headquarters is in New York City, and we operate across the United States, the United Kingdom, Canada, Germany, and Australia.

Our Members can access the brand’s immersive content through Peloton’s connected fitness equipment, which provides access to a wide variety of fitness disciplines. Businesses and enterprises can also access select Peloton products and the platforms for their teams and customers through Peloton’s Corporate Wellness program and Peloton Commercial.

EMPLOYEES
As of November 1, 2022, we have approximately 3,825 employees globally. The majority of Peloton’s employees are located in the United States. Internationally, we have employees in Australia, Canada, Germany, Ireland, Taiwan, and the United Kingdom. We have hired and may continue to also hire additional seasonal employees, primarily in our showrooms, during the holiday season.

OPERATIONS
We operate retail locations across the United States, the United Kingdom, Canada, Germany, and Australia. We also produce original programs, primarily from our production studios in New York City and London. As noted in Peloton’s 2022 Annual Report on Form 10-K, our suppliers are primarily based in various locations in Asia and North America. The components used in our products are sourced either by us, directly, or on our behalf by our contract manufacturers. For the financial year ended June 30, 2022, we manufactured and assembled our products in-house, as well as through third parties primarily in Asia. In July 2022, we announced a shift to third-party manufacturing partners for 100% of our products and expanded an ongoing relationship with a long-established Taiwanese manufacturing partner.

MODERN SLAVERY RISK

The majority of our employees are professional and administrative staff, particularly within the United States and Europe. The nature of their work, in addition to their location, leads us to believe that there is a low risk of modern slavery within our business.

However, due to our global scope, risks of modern slavery are primarily relevant to an extended supply chain. To address these risks, Peloton has multiple corporate policies and due diligence processes that form the backbone of our overall human rights approach. These policies include Peloton’s Code of Conduct, Reporting Policy, Procurement Policy, and the Supplier Code of Conduct. Peloton employs a third-party global sanctions and trade compliance diligence platform to assist in regulatory screening and due diligence efforts. We maintain an ongoing review and qualification process for prospective suppliers; once onboarded, suppliers are audited, as needed.

Peloton did not identify any instances of modern slavery within its operations during the fiscal year ended June 30, 2022. As detailed below, Peloton continues to develop policies and procedures that reflect our ongoing commitment to the protection of human rights and the elimination of all forms of modern slavery.
Policies

Code of Conduct
Peloton's Code of Conduct establishes our values and a set of guiding principles for putting those values into practice. The Code makes clear that Peloton employees and partners are expected to operate with the highest possible standards of honest and ethical business conduct. The Code of Conduct requires all employees to understand the legal and regulatory requirements, as well as Peloton's policy commitments, that apply to the business and encourage employees to ask questions and speak up about potential violations and concerns. The Code of Conduct also establishes Peloton’s commitment to fair and honest treatment of others, including employees, customers, business partners, suppliers, vendors, and other service providers.

Procurement Policy
Establishing the criteria and guidance for the acquisition of goods and services, the Procurement Policy requires adherence to the Code of Conduct by all suppliers and their agents. Additionally, Peloton’s Sourcing & Procurement team is responsible for overseeing the commercial relationships between Peloton and its suppliers, which includes ensuring that all aspects of the relationships are held to the highest ethical and professional standards. As part of Peloton’s sustainability commitments, suppliers are expected to conduct their business in a safe, sustainable manner, consistent with all applicable laws.

Supplier Code of Conduct
Peloton’s Supplier Code of Conduct (SCoC) establishes the compliance and ethics standards expected of all of Peloton’s direct and indirect suppliers, who are required to monitor their own suppliers, contractors, and subcontractors for compliance with the SCoC.

The SCoC, among other things, explicitly requires that suppliers comply with applicable laws regarding human rights, including any rights of workers to exercise their lawful rights of free association; protections for young workers; provision of safe and healthy work environments; and the right of workers to bargain collectively. This includes a prohibition against modern slavery in any form, including human trafficking and the use of any type of involuntary or forced labor. The SCoC directs that all persons engaged in labor on behalf of our suppliers, or any of their customers, must be at least 16 years of age and older. Suppliers must meet or exceed all applicable wage and hour laws, including those relating to minimum wage, overtime, and any associated legally mandated benefits.

Suppliers are additionally required to create and maintain records to demonstrate compliance with the SCoC, and must take corrective actions to promptly remedy any identified noncompliance. Additionally, suppliers must allow employees and/or agents of Peloton full access to facilities upon request, including without limitation, records demonstrating compliance with the requirements of the SCoC. Failure to comply with the Supplier Code will result in a business review of the supplier relationship, up to and including termination of the supplier’s business relationship with Peloton.
DUE DILIGENCE

SUPPLIER SCREENING
In assessing potential and existing suppliers, Peloton uses a third-party global sanctions and trade compliance diligence platform to screen global government lists of sanctioned, specially designated, and restricted parties, including entities known to use modern slavery, convict, and/or child labor. We monitor these lists on an ongoing basis as a part of continuing due diligence.

ESG SUPPLIER ASSESSMENTS
In June 2022, Peloton launched an ESG Supplier Assessment via a third-party platform with a small subset of suppliers. This assessment covers multiple topics, including general company information and corporate social responsibility/ESG issues. The ESG Assessment includes sections specifically addressing forced labor policies and procedures, child labor policies and procedures, migrant workers, recruitment, and general worker safety.

SUPPLIER AUDITS
Peloton seeks to maintain a global supplier auditing program to enable Peloton or a trusted agent to conduct an audit of the supplier's facility, manufacturing procedures, quality controls, systems and tools, books and records, and other documents. Currently, Peloton conducts audits on an as-needed basis.

GRIEVANCE AND REPORTING MECHANISMS
Peloton maintains a Reporting Policy that sets forth Peloton employees’ duty to report in good faith any known or suspected violations of laws, including violations of Peloton's Code of Conduct, Supplier Code of Conduct, and other policies. The Reporting Policy clarifies that this reporting responsibility includes reporting concerns received from persons outside of Peloton and concerns regarding third parties who provide services to Peloton, such as contractors or suppliers.

Peloton also makes available to employees, contractors, and suppliers an ethics hotline and online reporting tool maintained by an independent third party that allows for anonymous reporting of suspected violations of applicable laws or policies, and other compliance concerns, including concerns about human rights, employment practices, and modern slavery. These tools are made available in several languages, including Chinese, English, French, German, Italian, Japanese and Spanish.

Peloton prohibits retaliation of any kind against anyone who raises a good faith concern under the Reporting Policy or who assists with an investigation into potential violations.
ONGOING EFFORTS

As preventing and addressing modern slavery risks in our business and supply chains is an ongoing process that requires long-term planning and vigilance, Peloton is committed to continuously enhancing its human rights protection efforts. Peloton will also reassess its risk profile should it expand into new markets and continue monitoring any modern slavery risks throughout its supply chain.

At Peloton, we will continue to evolve our approach in the next fiscal year and beyond, by:

> Further building our capacity and approach to supplier engagement, including resources to enhance knowledge of human rights issues (including modern slavery) and human rights standards.

> On an annual basis, evaluating an increasing number of suppliers with an ESG Assessment and introducing a supplemental Modern Slavery Act Assessment via the same third-party platform. This additional questionnaire will request information regarding assessment and management of modern slavery risk, information on due diligence processes, certification of direct suppliers, organizational policies, and employee/supplier training. This will help Peloton assess the efficacy of due diligence programs and supplier policies in addressing potential risks of modern slavery.

> Continuing to build human rights protections and standards into our Supplier Code of Conduct.

In closing, Peloton will continually seek to strengthen human rights protections in our operations and supply chain alike and will continue to seek progress on these global issues through collaborative action.

Pamela Thomas-Graham
Chairperson, Nominating, Governance, and Corporate Responsibility Committee Peloton Interactive, Inc.
Board of Directors
December 15, 2022
For and on behalf of Peloton Interactive, Inc.

This statement was executed and approved on December 15, 2022 by the Nominating, Governance and Corporate Responsibility Committee of the Board of Directors of Peloton Interactive, Inc. and a link to this statement shall be placed on the homepage of the Peloton website for the United Kingdom https://www.onepeloton.co.uk/ in accordance with Section 54 of the UK Modern Slavery Act, as well as on the website for the United States https://www.onepeloton.com/ in accordance with the California Transparency in Supply Chains Act.