



## The Edinburgh Woollen Mill Group of Companies

This document refers to the “the EWM Group of Companies”, which for the time being are the following trading entities and any holding, subsidiary or associate companies from time to time within the larger group of companies;

The Edinburgh Woollen Mill Limited, registered number: SC024081  
Duvetco Limited (trading as Ponden Home), registered number: SC346445  
Proquip Limited, registered number: SC241464  
Peacocks Stores Limited, registered number: SC285031  
Jane Norman International Limited, registered number: SC473798

All registered in Scotland at registered office; Waverley Mills, Langholm, Dumfriesshire, DG13 0EB.

Hayton Leisure Limited, registered number 09217618  
Austin Reed Limited, registered number 10200901  
Days Department Store Limited, registered number 10679677  
Jaeger Retail Limited, registered number 10689343  
Formal Tailors 1885 Limited, registered number 10821128  
Hayton Game Limited, registered number 07687988

All registered in England and Wales at registered office; Unit A, Kingmoor Park South Industrial Estate, Queens Drive, Carlisle, CA6 4SB.

### Statement on Slavery and Human Trafficking – September 2018

#### 1. Overview

We are a group of retail clothing, wholesale and textile companies operating primarily from 1000 bricks and mortar stores in the UK and Eire and we have a growing online business.

We have franchise and concession interests in a number of overseas territories.

The group has 16,000 employees and a turnover in excess of £500M.

This statement is pursuant to section 54, part 6 of the Modern Slavery Act 2015 and sets out the steps which the companies within the group have taken to identify, monitor and remediate any issues relating to slavery and trafficking within our UK business and our worldwide supply chain.

We recognise that slavery and trafficking exists and the eradication of slavery and trafficking is a live and ongoing issue which will require constant vigilance. We aim to work in a cooperative and supportive manner with the partners in our supply chain to assist, educate and train where possible and to seek out potential areas of concern and resolve or remediate these in the best interests of the workers affected.

We recognise, that while we have controls, measures and reporting procedures in place, there is more to do, development will continue as the macro environment changes and more knowledge and understanding is gathered.

**The existing controls are set out below, these measures have currently revealed no issues relating to slavery and trafficking.**

## **2. UK Employment and Supply Chain**

The group HR function is centrally controlled and managed with appropriate controls and policies to safeguard the rights and welfare of UK employees including policies on Grievance, Bullying and Harrassment, Prevent (identification and prevention of radicalisation) and Safeguarding (identification and prevention of abuse of young workers) and Whistleblowing to allow the safe reporting of any abuses.

Employees are paid into their own bank accounts at no greater intervals than monthly

However, we recognise that our employees could be subject to outside exploitation which may be difficult to identify. We are considering measures which may assist with identifying such risks and we are working on staff education, particularly for staff management personnel to provide them with the tools to recognise exploitation and thereafter provide support.

## **3. UK Supplies, Non Clothing**

We also have considered other supplies into the business;

- Food (restaurants and coffee shops) – we have confirmation of understanding and compliance in anti-slavery from our food supplier.
- Concessions in Group premises – all concessions are required to confirm compliance with anti-slavery legislation.
- Contractors who do maintenance and shop opening work. (Action Group Maintenance Director, ongoing)

## **4. Main UK and Overseas Supply Base**

The Group has policies, procedures and practices in place to assist with the identification of issues of slavery or trafficking within the supply chain, these include;

- Written and published policy on ethical trading.
- Suppliers are only taken onto the supply base having gone through a detailed approval process including site visits.
- Terms and Conditions of trade.
- Suppliers Manual containing details of our clear expectations with regards to the treatment of the people in the factories and other facilities we are supplied from.
- Guidance on the basics of health, safety and welfare.

We check compliance with our requirements by;

- Requiring that suppliers confirm compliance at a senior level.

- Requiring that suppliers complete a SEDEX self audit.
- Requiring a SEDEX SMETA Audit dated within the last 12 months, including a corrective action plan and progress report.

Each supplier provides a self evaluation return in a standard format, this includes an ethical evaluation and a plan to deal with any non conformities.

Where new businesses are acquired into the business a review takes place to learn from their practices or to bring them up to the standards of the practices for the wider group.

## **5. Small UK Supply Base**

There is a group of small UK suppliers, predominately providing specialist local produce for the EWM Tourist stores. It is recognised that work is required to ensure compliance with anti-slavery requirements in this area.

## **6. Country Offices**

We have a number of local offices with locally employed staff who coordinate with the factories. These offices are able to provide local support and reporting to 80% of our supply base.

## **7. Action to Engage**

Following the Rana Plaza disaster we are members of the Accord set up to provide support and compensation to the victims of the disaster.

All suppliers based in Bangladesh must be signed up to the Accord agreement.

## **8. Area of Concern for further vigilance**

We consider it prudent to listen to the concerns of NGO's and to assess what risk there might be within our supply chain in light of reports made.

We actively consider reports from various sources, including SEDEX, of which we are an "A" member.

In the current year we have considered and assessed issues raised in the following areas;

- Factories in Leicester, UK – spot factory visits were carried out by senior staff.
- Turkey – Given the increased risk in Turkey it is planned in the current year to open a liaison office in Turkey to assist with visibility and development of the factories.
- Refugees from war zones.

## **9. How Do we Know what is going on?**

We acknowledge that it is important to know the market well to network with fellow retailers and others in the industry, in other words keep our ears to the ground.

Being knowledgeable about global reporting in this area and the findings of NGO's and following up any reports made to see if they are also reflected in our supply chain is also important. We have

considered the BMI's risk index by country and mapped this against our existing supply bases. We will also consider it when looking at new supply bases.

We ensure that we know our factories well. The Buyers meet the factory managers both in the UK and by visiting them in situ. It is important to build up a good and close working relationship with our supply partners.

By having a long term relationship with them we have more influence over how the factory operates.

Factory visits are often pre-organised but can also be without warning given the presence of EWM group employees in the countries of the majority of our supply base.

Visits are carried out by;

- UK Buying team
- UK and Country based technical/ethical teams.
- Senior management.

A poor SEDEX audit will indicate that follow up work is required.

A working group to discuss and deal with the development of the Anti Slavery Policy has been set up and will meet on a quarterly basis to include representative from the Sourcing team, chaired by the Group Company Secretary.

## **10. Forced Labour Indicators**

SEDEX have produced Forced Labour Indicators Reports and we will be engaging with SEDEX and have taken part in workshops to understand what the indicators are and how we use them to improve our risk assessment, due diligence and follow up investigations.

We are using the forced labour indicators as produced and defined by the International Labour Organisation (ILO).

## **11. Supply Chain Depth**

Like most retailers we have a supply chain of some length and depth. The Group has first and second tier suppliers (suppliers where we have direct contact) and third tier suppliers where we may not have direct contact as they are suppliers to our factories or are sub-contracted.

We see the majority of the work in relation to rooting out activities in relation to slavery and trafficking as being in the third tier area. This does not, however, mean that we will have less scrutiny on the first and second tier but that we are giving this area some additional focus.

## **12. Strategic Areas of Development for the next 12 months**

Senior management have already attended an ETI (Ethical Trading Institute) course to assist with compliance under the Modern Slavery Act and to assist in the development of strategies to identify

poor or illegal practices and to assist with the improvement of the conditions of workers within the supply chain.

The next stages are as follows;

- Raising awareness of the issues at all levels.
- Training the key individuals in the businesses.
- Educating the supply base on the requirements.
- Reviewing the existing policies and guidance for suppliers.
- Developing Red Flag checklists for visiting staff on welfare, health, safety and conditions which would provide early indicators of problems.

### **13. Concluding Statement**

Our focus will be to maintain a healthy and stable supply chain which benefits all stakeholders and encourages good and fair working conditions where employees are free from harm, threat or harassment of any kind, are paid regularly at a sustainable level and have a mechanism to raise issues.

Where there are issues we will seek to provide the support with the objective that the people in our supply chain are treated fairly, however, where satisfactory improvement is not made and we can find no other way forward, we will move away from an offending supplier.

We will continue to encourage an open and honest dialogue with our supply base and to encourage our teams in direct engagement with the supply base to report issues of concern to the Board, with a focus on improvement.

For and on behalf of the Board of EWM (Topco) Limited and associates.

John Herring

Chairman