



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 which meet all of the criteria for reporting under The Modern Slavery Act 2015, being;

- A body corporate
- Carry on business in the UK
- Supply goods or services
- Have annual turnover of £36M or more

Trading entities which meet the criteria:

The Edinburgh Woollen Mill Limited, registered number: SC024081

Duvetco Limited (trading as Ponden Home), registered number: SC346445

Peacocks Stores Limited, registered number: SC285031

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

Jaeger Retail Limited, registered number 10689343

Registered in England with registered office at Global House, 5 Castle Street, Carlisle, CA3 8SY.

NOTES:

The following companies are holding companies which do not provide goods or services and are not subject to the Modern Slavery Act 2015;

The Edinburgh Woollen Mill (Group) Limited, SC307281

EWM (2011) Limited, SC396749

EWM (Topco) Limited, 4542352

The following group companies are not subject to the Modern Slavery Act 2015;

Jane Norman International Limited, SC473798

Austin Reed Limited, 10200901

Formal Tailors 1885 Limited, 10821128

Puzzle retail Stores Limited, 10689320

There are a number of Group companies, which are corporate bodies and do supply goods and services but which have turnover less than £36M and are not subject to the Modern Slavery Act 2015. In the majority of cases these companies will share the supply base of the larger companies and where it is reasonable and proportionate they will follow the Group policy on Anti-Slavery but do not have a requirement to report on the measures taken.

Statement on Slavery and Human Trafficking

1. Overview

We are a group of retail clothing, wholesale and textile companies operating primarily from over 1,100 bricks and mortar stores in the UK and Eire and we have a growing online businesses.

The group has 11,000 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 businesses 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.

The EWM Group has in regard to its own employees and seeks to ensure for the employees of its suppliers and other business partners compliance with the ETI Base code as follows;

- **Freely chosen employment**
- **Freedom of association**
- **Safe and hygienic working conditions**
- **No use of child labour**
- **Living wages paid**
- **Working hours which are not excessive**
- **No discrimination is practiced**
- **Regular employment is provided**
- **Harsh or inhumane treatment is not tolerated**

2. In relation to the Group's own employees:

The Group HR function is centrally controlled and managed with appropriate controls and policies to safeguard the rights and welfare of our employees including policies on Grievance, Bullying and Harrassment, Discrimination, 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.

Senior staff, reporting to the Board of Directors have received training with regards to Safeguarding and Prevent issues.

Safeguarding issues are discussed and reported to the Board in the Monthly Apprenticeship Report.

Management staff working with the young people in the Apprenticeship programme have been trained in safeguarding and prevent issues. The Apprenticeship programme is actively promoted and is growing. Young persons are encouraged to become apprentices and receive training which is monitored by Ofsted.

Employees are paid into their own bank accounts at no greater intervals than monthly. The payroll process is managed by a central payroll team and overseen by a professional Payroll Manager.

However, we recognise that our employees could be subject to exploitation outside of the businesses which may be difficult to identify. We have measures which may assist with identifying such risks and we are continuing to develop staff education, particularly for store management personnel to provide them with the tools to recognise exploitation and thereafter provide support or ensure that vulnerable employees are sign posted to the correct support organisations.

3. UK Suppliers, 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 services supplier.
- Concessions in Group premises – all concessions are required to confirm compliance with anti-slavery legislation within our Concession Agreements.
- Contractors who do maintenance and shop opening work – we have confirmation from existing suppliers with turnover in excess of £36M that they are in compliance with the Modern Slavery Act. This is part of the on-boarding process for new suppliers and contractors.
- Third party transport and distribution – UK based company subject to the Modern Slavery Act reporting.

4. Main UK and Overseas Supply Base

All our suppliers are transitioning to a specialist compliance company who will monitor and identify any overseas Slavery Act concerns in our supply base.

A web based solution is in development and beta testing is underway. This will be accessed by goods for resale suppliers and an independent database of the supply base will be developed which will include self- assessment on identifiers of Modern Slavery and to collate copies of supplier level documentation, policies and procedures, it also includes an audit log function to enhance reporting and to set targets.

It is intended that suppliers will be expected to answer a number of questions and will provide information in relation to policies and controls on modern slavery – with all of the information

relating to compliance, including modern slavery held in one place. Whilst in transition the standards set out below continue.

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 of the wider group.

The Heads of Sourcing in each entity are responsible for the Goods for Resale Supply chain, they are assisted by the Group Company Secretary in the application of the legal aspects of the legislation and in the policy writing.

In 2019 an Anti-Slavery Steering Group has been set up to co-ordinate development and understanding in the area of slavery and human trafficking, including a programme of education and training for any group employees who may come in contact with the supply chain and may be able to assist in the identification of slavery, welfare and health & safety issues in the factories we use.

The Group Company Secretary reports into the Group Board on issues of compliance including Modern Slavery Act issues.

5. Small UK Supply Base

There is a group of small UK suppliers, predominately providing specialist local produce for the EWM Tourist stores. All of these suppliers fall under the requirements for Modern Slavery Act reporting.

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.

Training has been organised for the staff in the overseas offices specifically for the identification of modern slavery issues – the Bangladesh office training has been completed with the offices in India and China to follow shortly. We expect the result of this to be that there are trained staff visiting our factories who are able to look for the markers of modern slavery and raise concerns.

We are developing a one-page modern slavery questionnaire which is to be completed by any of our staff visiting factory sites. This may flag up concerns which would indicate a more detailed visit.

7. Action to Engage

The objective will always be that we will work with our suppliers to resolve issues in the best interests of the workers.

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.

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.

Continuing education focus is 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.
- Using the new database to provide key performance indicators.
- Completing the training in the overseas offices.
- Development of the one-page questionnaire for staff not specifically trained but visiting factory sites.

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.

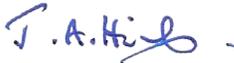
We have spent some time simplifying by reducing the number of suppliers so that it is in a more manageable form.

The single point of contact for issues of Modern Slavery is the Group Company Secretary, from this contact point the Board can be made aware of any issues.

For and on behalf of the Board of The Edinburgh Woollen Mill (Group) Limited.

For the year ending February 2019

John Herring



Chairman

Approved on behalf of the Board of Directors