

Paul Smith

Modern Slavery Statement

FY 22/23

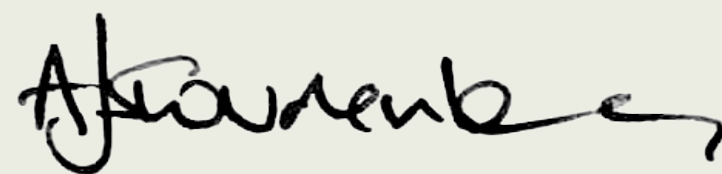
Introduction

This is our seventh statement made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes our slavery and human trafficking statement for the financial year ending 30 June 2023.

At Paul Smith we acknowledge that instances of modern slavery can and do occur within fashion supply chains which is why we are absolutely committed to preventing slavery and human trafficking in our corporate activities, and to ensuring that our supply chains are free from slavery and trafficking.

During this financial year ending 30 June 2023 we have not uncovered any incidents or indicators of modern slavery in our supply chain.

This statement covers Paul Smith Group Holdings Limited, Paul Smith (Holdings) Ltd and Paul Smith Limited and has been approved by each company's board of directors on 12th December 2023.



Ashley Long
Chief Executive Officer
Paul Smith Group Holdings Limited
Paul Smith (Holdings) Ltd
Paul Smith Limited



Paul Smith

Our Business



Founded in the 1970’s, Paul Smith is a global business designing & selling high quality clothing, shoe, accessory and home collections for men and women in six continents. We also license others to produce and sell eyewear, fragrance, children’s clothing, and interior products. In Japan we license the production and sale of clothing and accessories.

Our distribution methods remain the same as in previous years; we sell our products through three main channels; our own shops and website, wholesale both in store and online and licenced partners. From time to time, we also expand our offer through a range of product collaboration projects.

Paul Smith Group Holdings Limited is the ultimate parent company of the global Paul Smith group, including Paul Smith (Holdings) Limited and our main UK trading company, Paul Smith Limited. Our registered office is at The Poplars, Lenton Lane, Nottingham, NG7 2PW, England.

Employees



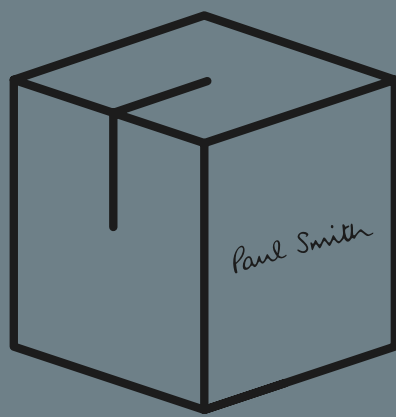
427

RETAIL



480

HEAD OFFICE



142

WAREHOUSE

Our Employees

The Paul Smith group has over 1,049 permanent employees worldwide. We have thorough recruitment practices in which we check all our employees’ eligibility to work, and we are confident that there is no risk of slavery and human trafficking within our group.

Employee Training

Modern slavery training is compulsory for all employees involved in design, production, customer services, warehousing, franchise partnerships and communication with suppliers. Current employees renew their training every three years.

In addition, as part of our continued commitment to our employees and their wellbeing, we have Equality, Diversity, and Inclusion (EDI) groups to progress our EDI strategy. In 2022, we selected an EDI training partner to begin delivering training to our employees based in the UK. This has since been rolled out to approximately 20% of employees. In addition to this, we are currently rolling out Management Development training to all management which incorporates a focus on EDI.

Paul Smith



Suppliers



Please note the size of the circles represent the quantity of manufacturing that has taken place in each country and does not represent the exact location of our suppliers.

We also source fabrics from mills (tier 2) and trims and labels from a network of specially selected suppliers (tier 3). Our manufacturers may choose to subcontract specialist services such as embroidery but are not permitted to do so without written permission from Paul Smith which ensures that we have visibility of our product’s supply chain.

Achieving industry certifications such as Global Organic Textile Standard (GOTS) and Responsible Wool Standard (RWS), forms part of our sustainability strategy, the Path to Sustainability. We also pride ourselves on being a member of the Leather Working Group (LWG). Achieving these industry certifications provides us with increased levels of traceability for our certified products as these certifications operate a chain-of-custody system. In addition, the following certifications/membership places high importance on social welfare within the supply chain.

Indirect Suppliers

We also contract with suppliers for a broad spectrum of goods and services which are important to our business operations, but which do not feed into our product production, such as information technology, shop fittings, travel, marketing and logistics.



Our Policies

At Paul Smith we are committed to ensuring that there is no modern slavery or human trafficking in our supply chains or in any part of our business and we have zero tolerance to any such practices.

All factories and mills we work with are required to adhere to ethical working practices as set out in our Supplier Code of Conduct which includes but is not limited to complying with key principles of ensuring that: employment is freely chosen and that freedom of association and other workers’ rights are respected; the required standards of working conditions are met and the conditions will be safe and hygienic; workers’ hours are not excessive and that regular employment is provided; there is no use of child labour; and that no discrimination or harsh or inhumane treatment will be practiced or allowed in their organisation. Our full Supplier Code of Conduct can be found [here](#).


In addition, manufacturers, fabric, and trims suppliers are required to complete and return our Social Compliance Self-Assessment Audit Questionnaire, which involves thorough assessment of their working conditions including working hours, wages and benefits, health and safety, equality, freedom of association, and that employment is freely chosen with no child labour used.



Our Progress and Plan

	Completed before FY 22/23	Completed in FY 22/23	Going Foward
Monitoring	<p>New and existing manufacturers, fabric and trims suppliers are issued our Self-Assessment Audits which are monitored accordingly.</p> <p>We began the process of evaluating the effectiveness of our supplier monitoring processes and as a result of this evaluation, began a comprehensive review of our Self-Assessment Audits with a view to engage with industry stakeholders to make improvements.</p> <p>We completed the Sustainable Apparel Coalition’s Higg Index Brand Retail Module in 2021 for the first time which enabled us to identify areas of improvement with regards to our social impact within our own operations and our supply chain. We completed the Higg Index Brand Retail Module for the second time in 2022, giving us the opportunity to improve our score.</p>	<p>We continued to work with multi-national assurance company Intertek to refine our digital self-assessment audit, which will enable us to effectively monitor any possible modern slavery risks within our supply chain.</p>	<p>We will implement our Digital Self-Assessment Audit by the end of 2023. All manufacturers, mills and trims suppliers must complete the assessment and submit documents related to ensuring that our Supplier Code of Conduct standards are upheld. This will be thoroughly reviewed, and the appropriate action will be taken to ensure any possible modern slavery risks are mitigated and resolved within our supply chain.</p> <p>Following the launch of the Digital Self-Assessment Audit, we will implement a Supplier Risk Assessment Improvement Programme, to resolves any issues identified.</p>
Engagement	<p>In March 2021, we launched our Path to Sustainability, which is made up of four different pathways, one being ‘Community Care’. Community Care encompasses a sense a responsibility for not only those within our offices, shops, and own operations but also to those working in our product supply chains.</p> <p>Equality, Diversity and Inclusion (EDI) groups were set up in FY 21/22 to progress our EDI strategy with four key focuses: recruitment, progression, communication, and training.</p>	<p>An EDI training provider was selected during the FY 22/23 and has provided training to selected departments throughout. Approximately 20% of employees based in the UK have undergone the training across different departments.</p>	<p>The EDI training will be rolled out to further UK based departments next year.</p> <p>In addition, manager focused EDI training will be rolled out as part of our Management Development Training.</p> <p>To engage suppliers the Supplier Portal, which will be used to complete the Self-Assessment Audits, will include access for suppliers to guides and important policies, as well as the resources to enable them to stay informed about our Path to Sustainability targets and achievements to date.</p>

Our Progress and Plan (Continued)

	Completed before FY 22/23	Completed in FY 22/23	Going Foward
Traceability	<p>We achieved Global Organic Textile Standard (GOTS) certification in FY 21/22. GOTS provides us with assurance that the sourcing of our certified organic products has not involved the exploitation of workers within the organic supply chain. GOTS ensure that workers are not exposed to harmful chemicals, they are being fairly paid and there is no use of child labour, modern slavery, or discrimination.</p> <p>To provide assurance over the sourcing of materials and products within our supply chain, we became a member of the Leather Working Group (LWG) in April 2022. LWG drives best practices and positive social and environmental change for responsible leather production.</p>	<p>We also became certified to the Responsible Wool Standard (RWS) in February 2023, which verifies wool animal welfare and land management requirements and tracks it from farm to final product. We are certified by Control Union, CUC-891390. RWS certified farmers provide good social welfare practices, ensuring there is no use of modern slavery, workers are paid fairly and children are protected from exploitation.</p> <p>In FY 22/23 we introduced a new requirement for all products that hold a sustainability claim to have a transaction certificate (TC) provided by the supplier for the materials used for those products. The TC gives us visibility over the origin of the material and enables us to evaluate whether the fabric has been sourced from countries where there is a high risk of modern slavery.</p>	<p>We will continue to increase our Sun Logo offering season on season as this will ensure we are continually increasing our supply chain visibility by complying with our new requirement of maintaining either a yarn, fabric and/or product TC. The Sun Logo collection includes products that are made with at least 50% certified materials, including GOTS, organically grown cotton, recycled materials etc.</p> 
Training	<p>Implemented Modern Slavery e-learning training to all relevant employees.</p>	<p>We continued to monitor our employee e-learning training and refresher training was prescribed to existing and new staff members.</p> <p>Internally, we held a Sustainability Week and provided employees with additional information and support from industry experts relating to each of our pathways. For our Community Care pathway, GOTS delivered a webinar on how the certification protects workers within the organic supply chain through ecological and social standards.</p>	<p>Following the launch of our Self-Assessment Audit, we will offer a virtual drop-in session to answer any queries or concerns our suppliers may have.</p>
Policies and contracts	<p>We include clauses to specifically address the Modern Slavery Act 2015 in any relevant contracts with 3rd parties that have been renewed during this financial year.</p>	<p>We have reviewed and updated our Modern Slavery Remediation Process which details the steps we will take if modern slavery is ever discovered or reported within our own operations or supply chain.</p>	<p>We will review our onboarding process for all new manufacturers, mills and trims suppliers as part of implementing the Supplier Risk Assessment Programme referred to above.</p>

Paul Smith