Paul Smith

Modern Slavery Statement

FY 23/24

Introduction

This is our eighth 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 2024.

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 2024 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 18th December 2024.



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

MODERN SLAVERY STATEMENT



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.

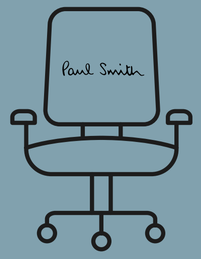
Our distribution methods remain the same as in previous years; we sell our products through three main channels; our own shops and website, wholesale both in store and online and licenced partners. From time to time, we also expand our offer through a range of product collaboration projects.

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.

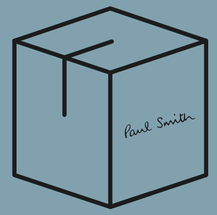
Employees



381
RETAIL



505
HEAD OFFICE



143
WAREHOUSE

Our Employees

The Paul Smith group has over 1,029 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

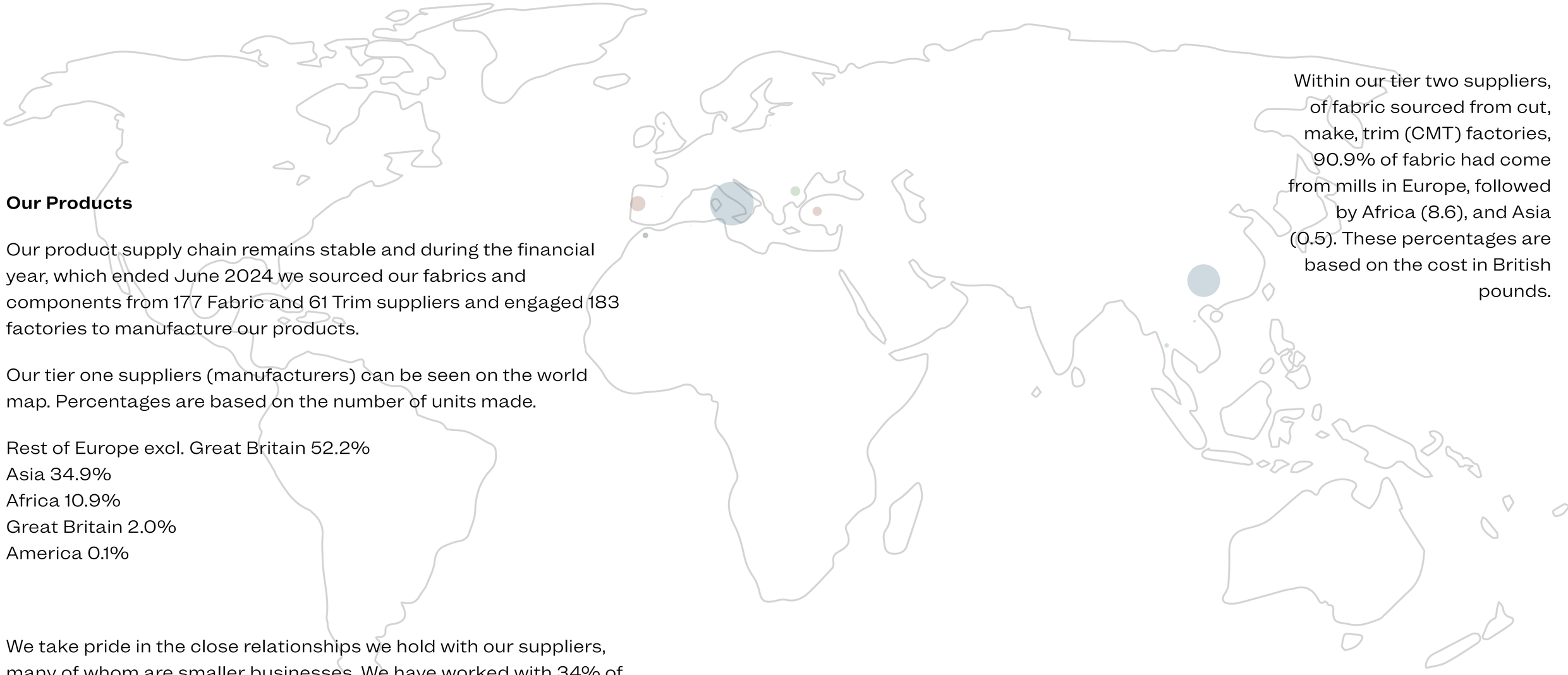
Modern slavery training is compulsory for all employees involved in design, production, customer services, warehousing, franchise partnerships and communication with suppliers. Current employees renew their training every three years.

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 UK based employees. This has since been rolled out to approximately 35% of employees. In addition to this, we are currently rolling out Management Development training to all management which incorporates a focus on EDI.


Suits


Paul Smith
MEN
Paul Smith
Paul Smith
43

Suppliers



Our Products

Our product supply chain remains stable and during the financial year, which ended June 2024 we sourced our fabrics and components from 177 Fabric and 61 Trim suppliers and engaged 183 factories to manufacture our products.

Our tier one suppliers (manufacturers) can be seen on the world map. Percentages are based on the number of units made.

Rest of Europe excl. Great Britain 52.2%
Asia 34.9%
Africa 10.9%
Great Britain 2.0%
America 0.1%

We take pride in the close relationships we hold with our suppliers, many of whom are smaller businesses. We have worked with 34% of our manufacturers for over 10 years, with 6% over 25 years.

Within our tier two suppliers, of fabric sourced from cut, make, trim (CMT) factories, 90.9% of fabric had come from mills in Europe, followed by Africa (8.6), and Asia (0.5). These percentages are based on the cost in British pounds.

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.

Suppliers (Continued)

We also source 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 23/24	Completed in FY 23/24	Going Foward
Monitoring	We worked with multi-national assurance company Intertek to refine our digital Self-Assessment Audit, which has enabled us to effectively monitor any possible modern slavery risks within our supply chain. New and existing manufacturers, fabric and trims suppliers are issued our Self-Assessment Audits which are monitored accordingly. We completed the Sustainable Apparel Coalition's Higg Index Brand Retail Module in 2021 and 2022 which enabled us to identify areas of improvement with regards to our social impact within our own operations and our supply chain.	We launched our Digital Supplier Self-Assessment questionnaire, in January 2024. The questionnaire is based on the underlying principles of the International Labour Organisation. All manufacturers, mills and trims suppliers must complete the assessment and submit documents such as policies, certificates, and audit reviews to ensuring that our Supplier. Code of Conduct standards are upheld. This is thoroughly reviewed, and appropriate action is taken to ensure any possible modern slavery risks are mitigated and resolved within our supply chain. A scoring mechanism has been created to highlight areas of risk within our supply chain, this is done by ranking our suppliers from high to low risk.	Following the launch of the Self-Assessment Audit, we will implement a Supplier Risk Assessment Improvement Programme, to resolves any issues identified. We will roll out our established Factory Visits Policy, which lays out additional steps for Paul Smith employees to conduct when visiting factories, to ensure due diligence is being carried out at every opportunity within our supply chain. To get a better and more accurate overview of our supply chain we have now partnered with a company called Fairly Made®. This partnership will help us analyse our products, supply chains, and help us improve the sustainability and social impact of our products.
Engagement	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 of responsibility for not only those within our offices, shops, and own operations but also to those working in our product supply chains. Equality, Diversity and Inclusion groups were set up in FY 21/22 to progress our EDI strategy with four key focuses: recruitment, progression, communication, and training. 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.	The EDI training has been rolled out to further UK based departments during FY 23/24. Manager focused EDI training was rolled out as part of our Management Development Training. To engage suppliers, the Supplier Portal has been created so our suppliers can access guides, important policies, stay informed about our Path to Sustainability achievements and targets and complete the Digital Self-Assessment Programme.	The EDI training will continue to be rolled out to further UK based departments. We will continue to engage with our suppliers, by updating them on our Path to Sustainability achievements and targets or other relevant policies or changes within the business.

Our Progress and Plan (Continued)

	Completed before FY 23/24	Completed in FY 23/24	Going Foward
Traceability	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. 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. 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 children are protected from exploitation, there is no use of modern slavery, and workers are paid fairly. In FY 22/23 we introduced a new requirement for all products that hold a sustainability claim to have a transaction (TC) and scope certificate (SC) 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.	In 2024, we partnered with impact assessment platform, Fairly Made®, to support us increase the traceability of our supply chain and fully analyse our environmental footprint on all textile and shoes products, excluding leather accessories. We began by assessing our AW24 collection, which has allowed us to trace 100% of our tier 1, 72% of our tier 2, 51% tier 3 and 4% tier 4. Fairly Made® not only focuses on providing us with the origin and destinations of materials, but they also ask our suppliers technical questions, which provides us with an insight into how their operations have been conducted. We are pleased to share that no risks have been identified within our AW24 collection, such as forced labour, or deforestation.	We will continue to map our supply chain with support from Fairly Made®, with the aim to strengthen our traceability within tiers 2, 3 and 4. 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 claims requirement of maintaining either a yarn, fabric or product TC and SC. The Sun Logo collection includes products that are made with at least 50% certified materials, including GOTS, organically grown cotton and recycled materials.

Our Progress and Plan (Continued)

	Completed before FY 23/24	Completed in FY 23/24	Going Foward
Training	Implemented Modern Slavery E-Learning training to all relevant employee in 2019. During FY 22/23 we held an internal Sustainability Week for our employees. This included support from industry experts relating to each of our pathways. GOTS delivered a webinar on how the certification protects workers within the organic supply chain through ecological and social standards.	We continued to monitor our employee E-Learning training and refresher training was prescribed to existing and employees. We held an internal Sustainability week for the second year, with particular focus on Modern Slavery training, which was held by Sustainability Consultancy Eco Age. The webinar focused on identifying signs of Modern Slavery within a fashion supply chain and understanding the role we can play.	We will look to further strengthen our training for employees by engaging with industry experts and E-Learning modules to help build an effective prevention and mitigation process.
Policies and contracts	We included clauses to specifically address the Modern Slavery Act 2015 in any relevant contracts with 3rd parties that have been renewed during this financial year. 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.	Following the GOTS Version 7.0 update, we established a Responsible Business Conduct Policy, which serves as a framework to guide our actions and decisions, ensuring we uphold high ethical standards and create a safe and inclusive environment for everyone. As part of our Responsible Business Conduct, we have reviewed and refined our Supplier Onboarding Process, which is detailed in our Sourcing Strategy Policy.	We will implement our updated Sourcing Strategy Policy to further strengthen our commitment to supply chain transparency and ensure due diligence is always being conducted.

Paul Smith