

Modern Slavery and Human Trafficking Statement for the financial year ended 1 January 2022

This is our sixth modern slavery and human trafficking statement issued in accordance with section 54(1) of the Modern Slavery Act 2015 (the "Act") and sets out the steps that The Perfume Shop Limited ("TPS") has taken and will continue to take to prevent modern slavery or human trafficking from taking place within our business and supply chain.

This statement relates to business activity during the financial year ended 1 January 2022 and builds on our modern slavery statements for the years 2016 to 2020.

Group Structure and Business

Founded in 1992, TPS is the UK's largest specialist fragrance retailer, and is a wholly owned subsidiary of A.S. Watson (Health & Beauty UK) Limited ("ASWHBUK"). ASWHBUK is a member of the A.S. Watson Group, which is ultimately controlled by CK Hutchison Holdings Limited, listed on The Stock Exchange of Hong Kong Limited.

TPS has approximately 215 stores across the UK and the Republic of Ireland, employing approximately 2,000 people.

Modern Slavery Strategy and Due Diligence

We want to limit the risk of modern slavery in our own business and help our suppliers do the same. Our permanent Modern Slavery Taskforce (the "Taskforce"), developed over six years, helps us to achieve this aim.

The Taskforce includes representatives from across ASWHBUK, is led by ASWHBUK's Finance Director and meets quarterly. It is responsible for:

- monitoring, reviewing and reporting on activities and initiatives that are underway to help mitigate modern slavery risk areas that have been identified within our business and supply chain; and
- developing our Modern Slavery Strategy and Implementation Plan by continuing to review our business operations and supply chain and assess any potential areas that could be exposed to a modern slavery risk.

A.S. Watson Group continues to engage with [The Mekong Club](#), a leading modern slavery non-government organisation that works with companies and their suppliers to develop awareness, practical toolkits and strategic thinking to end modern slavery.

A.S. Watson Group was the first member of The Mekong Club to sign up to its Business Pledge Against Modern Slavery in 2017, demonstrating our commitment to preventing and addressing modern slavery.

To mark the [United Nations' World Day Against Child Labour](#), A.S. Watson Group launched an internal awareness campaign in 2018. This campaign raised modern slavery awareness for employees engaged in negotiations and contracts with our suppliers and followed the launch of The Mekong Club's [Modern Slavery Awareness Toolkit](#).

In 2021, we continued to work with The Mekong Club to identify ways in which we can continue to improve our efforts to end modern slavery. This included developing processes to take a risk based approach to commercial suppliers wherever possible. We aim to implement these processes in our business operations in 2022.

Our Policies

We are committed to continuing to develop and deepen our understanding of the risks in our business so that we can prevent exploitation and human trafficking from taking place in our business operations and supply chain.

The ASWHBUK Code of Conduct (the "Code of Conduct") applies to all of our employees and subcontractors and sets out the principles we uphold for our business. Transparent, honest and ethical behaviours continue to be the pillars we hold at the forefront of our business, as well as countering bribery and corruption. Our HR policies supplement and complement the ASWHBUK Code of Conduct and include a whistle-blowing policy.

We have operated a confidential hotline since 2019 allowing employees to report any concerns directly to senior members within our head office via telephone or email. Any calls received can then be investigated and escalated where necessary to our Board of Directors.

Our hotline was re-launched in 2021, and is widely publicised within our internal communications. The hotline is operated during our business working hours and forms part of all employees' online inductions. The re-launched hotline also contains additional contact details for CK Hutchison Holdings Limited. Since the hotline was established, we have received no calls relating to modern slavery.

Since 2008, the A.S. Watson Group, including TPS, has been an active member of amfori's Business Social Compliance Initiative ("BSCI"), which is a leading business-driven initiative for companies committed to improving working conditions in the global supply chain. We follow the [BSCI Code of Conduct](#) (the "BSCI Code"), which covers key principles such as ethical business behaviour, no bonded labour or child labour, decent working hours and fair remuneration, as well as requirements for auditing, remediation and training of suppliers located in risk countries. The latest BSCI Code is integrated into our trading contracts and, where possible, we conduct regular compliance assessments against the BSCI Code.

Direct Operations

In our previous modern slavery statements, we addressed the steps we have taken to minimise the potential risk of modern slavery in the provision of temporary labour by third parties. This continues to include:

- contractual controls to ensure that third-party labour providers are committed to complying with the Act and that non-compliance will result in contract termination;
- ensuring that all third-party labour providers have in place adequate internal mechanisms through which agency workers can raise any grievances or concerns and that any issues are addressed and escalated as appropriate to our People Team; and

- checking that the third-party labour providers hold a current certification with a recognised licencing scheme, such as the Gangmasters & Labour Abuse Authority.

Additionally, our distribution network colleagues complete online training modules to provide wider understanding of modern slavery practices and to follow measures to escalate any concerns to management and the People team. This training is mandatory for all team members and is conducted in line with the Code of Conduct.

We have also carried out an anonymised agency worker and employee engagement survey at our main distribution centre on how workers perceived their experience working at ASWHBUK, including TPS. Overall, the results showed that workers feel positive about ASWHBUK, including TPS being a good place to work.

Supply Chain

We shared the standards expected of our suppliers in our previous modern slavery statements, and we continue to reinforce our commitment to the BSCI Code. Our new contracts with suppliers require them to adhere to the Act and make it clear that non-compliance will result in contract termination.


Training

We are committed to educating and raising awareness of modern slavery. Our corporate induction for all roles includes modern slavery training modules. Our modern slavery training is also refreshed biennially and, in 2021, we rolled out an updated training programme to all of our colleagues across all departments and stores.

By the end of 2021, 95% of employees across our stores and head office had completed their modern slavery training (1,413 colleagues in total), and we aim to achieve similarly high figures by the end of 2022.

We are committed to tracking the training of all employees across the business and sharing our training metrics internally on a quarterly basis to drive completion.

This statement is approved by the Board of Directors of The Perfume Shop Limited and signed on its behalf by:



Gillian Smith

Director of The Perfume Shop Limited

Date: 22 June 2022