



Modern Slavery and Human Trafficking Statement

The Perfume Shop Limited
Year ended 30th December 2023

THE PERFUME SHOP



Introduction

This is our 2023 Modern Slavery and Human Trafficking Statement issued in accordance with section 54(1) of the Modern Slavery Act 2015 and sets out the steps that The Perfume Shop has taken and will continue to take to prevent Modern Slavery and human trafficking from occurring within our operations and supply chain.

This statement relates to The Perfume Shop's business activity during the financial year that ended 30th December 2023 and builds on our continuous commitment to combat modern slavery as set out in our previous seven Modern Slavery Statements, found here: <https://www.theperfumeshop.com/modern-slavery-act>



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*We're
Expert*



*We're
Passionate*



*We
Care*





Message from Gill Smith, Managing Director

The UK economy has started to recover, with job growth in various sectors. However, both local and global events, such as the cost-of-living crisis is still being felt, contributing to a significant social inequality gap, which we know impacts those in our communities, especially those most vulnerable.

Continuing and emerging conflicts across Ukraine, Israel and Palestine and Sudan heightened vulnerabilities across the World and created opportunities for the exploitation of migrants. Global temperatures also rose to the hottest ever recorded, putting people at risk, as natural disasters continued to increase, with some regions experiencing unplanned environmental migration. These global events continue to increase the risk of modern slavery across our supply chain, so it's important, as a business, that we remain vigilant to these risks.

We are mindful that as a leading fragrance retailer in the UK and in the Republic of Ireland, with a sustainability strategy to 'Feel Good When You Smell Good', that we have a responsibility to always act ethically and to engage with our suppliers and contractors to ensure that their operations and suppliers do not contribute to, or benefit from, modern slavery, this is especially so as our supply chain spans across many countries. We recognise that the risk of human trafficking, slavery, servitude, forced and compulsory labour still exists, so we support the UN Sustainability Goal 8.7 'to eradicate forced labour, end Modern Slavery and human trafficking'*

As part of the AS Watson Modern Slavery Steering Group ("the ASW Steering Group") we regularly meet to monitor, review, and assess potential risks, which helps us to look at ways in which we can progress our modern slavery commitments to ensure our high ethical standards are always maintained.

Our zero-tolerance approach to modern slavery means that we're committed to increasing human rights protection throughout our operations, from rigorous supplier onboarding to supply chain due diligence processes, including supplier ethical audits and investigations.

This approach also includes our belief that every Perfume Person, whether a direct employee or contractor, can help to eradicate modern slavery, so we're keen to do all we can to raise awareness across the business through our mandatory modern slavery online learning modules, which have been created in partnership with The Mekong Club. You'll find out more about the Mekong Club later in this statement. We also believe that it's important to give everyone a voice to report any perceived acts of modern slavery through our confidential helpline, 'Speak Up & Protect'.

We've been able to strengthen our approach toward modern slavery eradication by continuing our partnership with the UK-based anti-slavery charity Unseen, who have provided us with their expertise and insights. Unseen provides safehouses and support for survivors of human trafficking and modern slavery, as well as a 24-hour helpline for those in need, so they really are the experts. To help give some context to our statement Justine Carter (Unseen Director) has provided a foreword for us to use, which you'll find on the following page.

Thank you for reading.

[*THE 17 GOALS | Sustainable Development \(un.org\)](https://un.org)



Foreword: Unseen Partnership Justine Carter, Unseen Director



“Modern Slavery is a grave violation of human rights that affects millions of people around the world. It involves the use of coercion, deception, or violence to exploit people for profit or personal gain. UK businesses must take action to prevent modern slavery, which is not just a legal obligation, but a moral one too. We are therefore extremely pleased to partner with The Perfume Shop, to support them in strengthening their approach to combating modern slavery. Together we can make a real difference in the lives of those who may be experiencing exploitation as well as survivors of modern slavery, who deserve dignity, freedom, and justice.”

To find out more about the vital work that Unseen do click here: [About Modern Slavery - Unseen \(unseenuk.org\)](https://unseenuk.org)

Our Business

We first opened our doors in 1992 and we are the UK's leading specialist fragrance retailer. We are a true Offline+Online (O+O) business with around 2,000 employees across the UK and the Republic of Ireland. Our people work across our 209 high street stores, at our head office in High Wycombe – which is affectionately known as “ScentQuarters”, and in our Warehouse based in Dunstable.

Our Perfume People (as we call ourselves) are the key to our success. Our **T**alent, **P**assion, and **S**park are what drives our brand forward, and have helped us to gain Top Employer status in 2023 and 2024. A key part of our Sustainability Strategy is to be a good employer who cares, and to focus on creating an inclusive environment where anyone can feel that they belong.

We are a wholly owned subsidiary of AS Watson (Health & Beauty UK) Limited and a member of the AS Watson Group, which is the world's largest international health and beauty retailer. We are ultimately controlled by CK Hutchison Holdings Limited, which is listed on The Stock Exchange of Hong Kong Limited.



The Mekong Club

We benefit from the resources of the AS Watson Group in our anti-modern slavery activities. For example, the AS Watson Group continues to engage with The Mekong Club, a leading non-government organisation working against modern slavery that works with companies and their suppliers to develop awareness, practical toolkits, and strategic thinking to end modern slavery. All key suppliers are asked to adhere to this high level of ethical conduct through our Supplier Code of Conduct.



At The Perfume Shop, through the AS Watson Group, we lead by example and the same ethical conduct standards are incorporated into our Employee Code of Conduct.

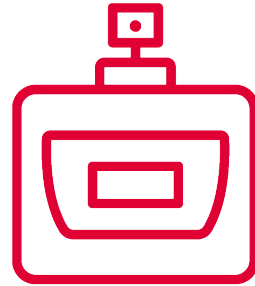


“ People are central to our Sustainability Strategy, so we're committed to treating everyone fairly. This is why our people policies and practices are designed to protect our employees and our contractors, and why we have robust processes in place to protect people against unethical behaviours in our supply chain. ”

Michelle Fellows
People and Development Director



2,000+
Employees



500+
Suppliers for
our goods and
services



1
Warehouse



4
Charity
Partners



209
Stores



4.5
TrustPilot
Score

Our
Operating
Model

THE PERFUME SHOP



**Thea Cooper,
Senior Business Manager
at Unseen (centre) with
Gill Smith,
Managing Director
(right), and
Sean Wallis,
Supply Chain Director
(left).**

**Pictured: October 2023
at our Warehouse in
Dunstable.**

2023 Highlights

We believe working together in an open and honest way is key in making sure we are doing all we can to support modern slavery eradication. So, led by our committed internal Modern Slavery Steering Committee (“the Steering Committee”), we wanted to share a few initiatives and actions from 2023, highlighting some of the steps we’ve either made or we are making in our journey:

Gap Analysis

During the first half of 2023, we undertook a gap analysis of all risk areas in collaboration with Unseen. The subsequent report and recommendations were reviewed by the Steering Committee and used to form the basis of the Steering Committee’s action plan for 2023.

Creation of our Modern Slavery Policy

We have always had strong governance and risk management policies through the comprehensive AS Watson Group human resource policies. However, The Perfume Shop’s Employee Code of Conduct outlines how employees can raise concerns, including modern slavery related concerns, which supports individuals to report any locally suspected concerns as easily as possible.

We believe launching a company specific Modern Slavery Policy highlights the importance of this issue, what our approach is, and how our employees can report their concerns.

Raising Awareness

During 2023, we focused on raising awareness of modern slavery and its prevention with our teams:

- Our Warehouse Team were required to complete mandatory online anti-modern slavery training, with additional training for our warehouse managers.
- During November and December 2023 selected individuals attended live remediation training hosted by Unseen to increase knowledge within our business on how we can incorporate a victim-centred approach to dealing with any concerns raised; this will form part of our policy moving forward.
- We distributed posters within our Warehouse to highlight the existence of our ‘Speak Up & Protect’ Confidential and Whistleblowing helpline for teams to utilise if they have modern slavery concern.

Thea Cooper,
Senior Business Manager
Unseen



0 Modern Slavery Investigations 2023

We Celebrated World Anti-Slavery Day

We celebrated World Anti-Slavery Day on the 18th of October 2023 to further raise awareness of modern slavery to all teams. Thea from Unseen visited our warehouse to provide information on modern slavery in the UK, Unseen support victims, and their helpline details.

Strengthened Buying Practices

We continued to strengthen our buying practices and we trialled an ESG questionnaire for use during our tender process for selecting services or goods not for resale. This ESG questionnaire included a mandatory section on modern slavery for suppliers to report on.

Undertook Modern Slavery Self-Assessment

Finally, in November 2023 we undertook a self-assessment against the CCLA Modern Slavery UK Benchmark 2023* report and utilised the learnings from this to help plan for 2024. The CCLA report aims include the creation of a framework on the degree to which companies are active in the fight against modern slavery.

* [CCLA Modern Slavery UK Benchmark 2023](#)

Key Risk and Control Areas

Governance & Reporting

People, Training and
Communication

Value Chain for Goods
and Services

Logistics



Anti-Modern Slavery Governance Framework

The Perfume Shop's Modern Slavery Internal Steering Committee and AS Watson's Modern Slavery Steering Group

Our Steering Committee is made up of our Managing Director, People and Development Director, Supply Chain Director, Trading Director and other members of the Senior Management Team. Our Steering Committee feeds into the ASW Modern Slavery Steering Group, which is a dedicated group ensuring consistency across the AS Watson business units - Superdrug, Savers and The Perfume Shop.

The ASW Steering Group's purpose is to undertake ongoing risk assessments of our business' full supply chain and then to oversee and co-ordinate the anti-modern slavery initiatives for all UK based companies of the AS Watson Group.

Our Steering Committee is responsible for:

- Progressing our anti-modern slavery strategy and implementation plan, including regular reviews of progress within our business operations and supply chain.
- Monitoring, reviewing, and reporting on anti-modern slavery activities.
- Developing initiatives to help mitigate modern slavery risk areas that have been identified within our business and supply chain.
- Reporting back to our business and key stakeholders on the results, including any anti-modern slavery corrective activity identified; and
- Implementing any AS Watson Group wide strategy related to preventing modern slavery.

Our Social Purpose

Human Rights is a key focus area and sits within the People Pillar of our Sustainability Strategy, Feel Good When You Smell Good, and concentrating on anti-modern slavery initiatives and policies is an important part of this. More information on our sustainability activities can be found here:

<https://www.theperfumeshop.com/our-social-purpose>.

Speak Up & Protect



Governance and Reporting

Our Employee Code of Conduct applies to all our employees and contractors and sets out the ethical standards and principles we expect our employees to uphold for our business. Transparent, honest, and ethical behaviours continue to be the pillars we hold at the forefront of our business. Our People Policies supplement and complement our Employee Code of Conduct.

In 2023, we reviewed our People Policies, including our Whistleblowing Policy, Grievance Policy, Recruitment Policy and Right to Work Policy; and released a new Modern Slavery Policy. This policy confirms our commitment to acting ethically and with integrity in all our business dealings and relationships, and ensures transparency in our approach to tackling modern slavery in our business and supply chain. The policy also covers how our employees can report incidents, undertake awareness training and what happens if there are breaches of the policy.

We take any breaches of our policies extremely seriously, so our "Speak Up & Protect" Confidential & Whistleblowing Helpline is in place to ensure that our employees can report any concerns directly to our People Team by telephone or email and is widely publicised to all people, contractors and agency workers, in Stores, ScentQuarters, and Warehouse.

Our 'Speak Up & Protect' Confidential & Whistleblowing Helpline details are shared as part of all employee's online induction, and the helpline telephone number and email address are monitored by our People Team during office working hours, who have undertaken enhanced anti-modern slavery training. All reports are treated confidentially, with a victim centred approach.

People, Training, and Communications

We employ over 2,000 Perfume People across our Stores, Scentquarters, and Warehouse, which increases towards the end of the year, as we recruit for our festive period.

We are passionate about our people and pride ourselves on providing an environment where they can grow, both professionally and personally. It is therefore important to us that our people have the correct tools and training available to them to understand what modern slavery is and how they can contribute to combatting this within their roles.

Anti-modern slavery training for all employees:

We issue mandatory anti-modern slavery training modules, in partnership with the Mekong Club, to all our employees through our online learning platform, 'Discover', and these modules are reissued to all every two years.

Our anti-modern slavery training covers the following:

- The definition, causes, consequences, and the extent of modern slavery.
- Our policies and procedures to prevent and address modern slavery.
- The legal and ethical implications, including best practices and standards for mitigating risks.

This training aims to raise awareness and understanding of modern slavery and to equip our employees with the skills and knowledge to identify, report, and respond to potential cases of modern slavery in our operations and supply chain.



Specialised training for employees with possible exposure to modern slavery:

We have developed and delivered specialist anti-modern slavery awareness training, with materials from the Mekong Club, for employees who may encounter modern slavery situations, such as people managers, warehouse managers, and buying managers.

We also engaged with our partner Unseen to deliver remediation anti-modern slavery training to a select group of senior level managers and individuals to support in understanding remediation best practice. The feedback from this training was excellent and has helped to increase our knowledge on remediation within modern slavery, and will inform our Modern Slavery Policy moving forward.

Communications

We recognise the importance of continuing to raise modern slavery awareness and promoting a culture in which our teams can feel confident they can 'Speak Up & Protect' and report any concerns they may have. As explained on the previous page, to do this we provide modern slavery information during employee's induction, and posters are available to all employees to explain how they can raise any wellbeing concerns, including any involving modern slavery.

Anti- Modern Slavery Training Completion Rates 2023:

	Store	ScentQuarters	Distribution
2023 Totals	92%	98%	95%

Value Chain for Goods and Services

We have a zero-tolerance approach to modern slavery, and we continuously strive to act ethically in all our supplier negotiations to ensure that modern slavery isn't taking place within our business or any part of our supply chain. We expect suppliers (and their subcontractors) to act with the upmost integrity in the conduct of their business and to uphold the same high standards and values that we have with regards to combatting modern slavery. We expect them to regularly review their supply chain to ensure they minimise the risk of modern slavery occurring.



We continue to benefit from guidance from the AS Watson Group through their membership 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 and guidelines ("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.

We require all suppliers to observe and comply with the principles as set out in the BSCI Code of Conduct as well as the Mekong Club Business Pledge, through our Supplier Code of Conduct and Terms and Conditions.

The principles under the BSCI Code of Conduct are found under the link: <https://www.amfori.org/content/bsci-code-conduct>, and the Business Pledge against Modern Slavery as set out by the Mekong Club are found under the link: <https://themekongclub.org>.

If we identify suppliers potentially using modern slavery within their supply chain, or any such subcontractor, either through our internal processes or as concerns are raised we will stop purchasing from them, thoroughly investigate, and take appropriate action.





Value Chain for Goods and Services not for resale

We regularly engage with 3rd party suppliers to bring goods or services into our stores and operations. We are committed to ensuring that we safeguard all our processes against modern slavery and are especially diligent when procuring services undertaken by lower paid individuals, as we recognise that the people employed in these positions are often from sections of the community that are the most vulnerable.

Any supplier that is invited to go through a tender process with us must provide anti-modern slavery statements, or show a commitment to anti-modern slavery by accepting our anti-modern slavery contractual commitments, to ensure that we only contract with businesses that align to our values. In 2023, outputs from the Unseen gap analysis helped us to identify ways to add further safeguards into our buying practices. We trialled the addition of written commitments in respect of anti-modern slavery and our partnership with Unseen into our tender pack, which was sent to the potential suppliers of each tender. These written commitments seek to ensure that we do not engage with any supplier who benefits from modern slavery. We're pleased to report that there were no issues flagged from the suppliers who participated in a tender with the written commitments.

We also started to trial a new extensive ESG questionnaire as part of our tender pack. This pack contains numerous questions and requests information about a potential supplier's awareness, risk assessment and mitigation in respect of anti-modern slavery. These ESG questionnaires are then reviewed and considered during the tender process. The aim is to flag any concerns, including modern slavery, to ensure we only contract with likeminded businesses. Initial feedback from the trial was positive as this helped our business to identify potential suppliers whose ESG values align to our own.



Our diverse Warehouse Team, based in Dunstable, are made up of permanent employees, and we recruit agency workers during peak trade.



Logistics

We have identified that our logistics network is a potential high-risk area for modern slavery, due to the volume of agency workers. Therefore, we have continued to keep a focus on this through the ASW Steering Group.

In our previous Modern Slavery and Human Trafficking Statements, we addressed the steps we have taken to minimise the potential risk of modern slavery in the provision of agency labour by third parties.

During 2023, we held the tender for our agency labour within the logistics network. Within the tender documentation and contract, we included our enhanced anti-modern slavery written commitments and requirements and our ESG questionnaire. The inclusion of this documentation helped to ascertain and ensure all suppliers put forward for tender can provide Anti-Modern Slavery Statements or show a commitment to anti-modern slavery by agreeing to our Anti-Modern Slavery Statement. By doing this we help to mitigate the risks of modern slavery when employing agency labour, particularly during peak periods.

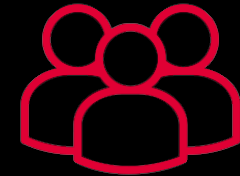


Gangmasters and
Labour Abuse Authority

The logistics team use the following to ensure a rigorous process:



Contractual controls to ensure third party labour providers are committed to complying with the Modern Slavery Act and that non-compliance will result in contract termination, as outlined in the Value Chain for Good and Services section



Checks take place prior to contracting a third-party labour provider to ensure that they hold a current certification with a recognised licensing scheme, such as the Gangmasters & Labour Abuse Authority; and that agency workers can raise any grievances or concerns, which are addressed and escalated, as appropriate, to our People Team.

Looking to the Future

We are committed to continuing our journey to reduce the risks associated with modern slavery, even as World events continue to impact those most vulnerable. To support the UN's Goal 8.7 'to eradicate forced labour, end Modern Slavery and human trafficking' we'll be continuing to:

- Shape our learnings from our CCLA Modern Slavery UK Benchmark 2023 self-assessment to make our anti-modern slavery framework more robust.
- Explore ways to develop our Modern Slavery Policy, training, and awareness, with the support from our strategic partners, such as Unseen and the Mekong Club.
- Use the findings from our gap analysis to drive improvements and strengthen our anti-modern slavery practices across the business.



Modern Slavery and Human Trafficking Statement Declaration

In 2024, we are committed to continue our efforts to combat modern slavery and human trafficking within our operations and supply chain. We are proud of our continued partnership with Unseen and are sure that it will further advance our program of activities and make a positive impact in the world.

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

A handwritten signature in black ink, appearing to read 'Gill Smith'.

Gill Smith

Managing Director

Date: 20th June 2024