

THE PERFUME SHOP

Modern Slavery Act 2015

- Slavery and Human Trafficking Statement for the financial year ended 28 December 2019

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 (the “Act”) and constitutes our slavery and human trafficking statement for the financial year ended 28 December 2019. It 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 28 December 2019 and builds on our modern slavery statements for the years 2016, 2017 and 2018.

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”), which is a member of the A.S. Watson Group, ultimately controlled by CK Hutchison Holdings Limited, listed on The Stock Exchange of Hong Kong Limited. TPS has approximately 260 stores across the UK and the Republic of Ireland, employing around 2,000 people.

Modern Slavery Strategy and Due Diligence

Our Modern Slavery Taskforce (the “Taskforce”) consists of representatives from across ASWHBUK, including a representative from TPS, and continues to build on the work that has been carried out since 2016.

The Taskforce is responsible for:

- monitoring, reviewing and reporting on activities and initiatives that are underway to help mitigate modern slavery risk areas that have already been identified; 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 be an active member of The Mekong Club (<http://themekongclub.org/>), an independent NGO engaged to help global companies in developing awareness and training toolkits on modern slavery for staff and suppliers. In 2017, A.S. Watson Group strengthened its commitment to work collaboratively with The Mekong Club by being its first member to sign up to its Business Pledge Against Modern Slavery.

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 is applicable to all our employees 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 whistleblowing policy. In 2019 we launched our confidential hotline so that employees can report any concerns directly to The Perfume Shop Head Office via telephone or email. 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, 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 of Conduct is integrated into our trading contracts.

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.

In 2019, we followed the same standards that we have implemented, which included:

- contractual controls to ensure that the third party labour providers are committed to complying with the Act and that non-compliance will result in contract termination;
- ensuring that the 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 the TPS Customer and People Team; and
- checking that the third party labour providers hold a current certification with a recognised licencing scheme, such as the Gangmasters and Labour Abuse Authority.

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.

Additionally, A.S. Watson Group will consider whether to commence work on drafting a supplier facing Code of Conduct, which would codify our values and provide a further means of communicating our expectations to suppliers.

Supply Chain

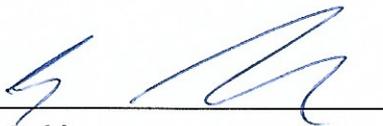
We shared the standards expected of our suppliers in our previous modern slavery statements, and we continue to reinforce our commitment to the BSCI Code of Conduct. All new contracts with

suppliers place on them a direct obligation to adhere to the Act and make it clear that non-compliance will result in contract termination.

Training

We rolled out modern slavery online educational videos to all staff at The Perfume Shop. Education and raising awareness of modern slavery remain a focus, and we will continue to work on implementing training programmes for all our employees in 2020.

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: 7/7/2020