



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 Savers Health and Beauty Limited ("Savers") 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 Savers' 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 1988, Savers specialises in branded health, home and beauty products at everyday low prices, 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. Savers has approximately 500 stores across the UK, employing around 5,000 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.

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 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 be an active member of [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 our Code of Conduct.

In 2019, our Customer and People Team launched our confidential "Speak Up" hotline to ensure that our employees could report any concerns via telephone or email.

Our "Speak Up" hotline was re-launched in 2021, and is widely publicised within our internal communications. The hotline is operated during our business working hours and is part of all employees' online inductions. The re-launched hotline also contains additional contact details for CK Hutchison Holdings Limited.

Since 2008, the A.S. Watson Group, including Savers, 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.

In 2018, the A.S. Watson Group Sourcing Team carried out over 470 BSCI audits (including re-audits) in factories manufacturing products sold in A.S. Watson Group's retail stores, including in Savers. In 2021, 562 audits were completed to the BCSI, SMETA or SA800 standards by our third party auditors.

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 (4,957 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.

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 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 & 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 Customer and People Team. This training is mandatory for all team members and is conducted in line with the Code of Conduct.

Supply Chain

Our Buying Team sources private label products via the A.S. Watson Group Sourcing Team based in Hong Kong, which carries out regular independent ethical audits. In addition, we have a small number of UK based suppliers who pack their products in private label packaging for Savers. We have in the past requested modern slavery policies from these suppliers for review.

Branded suppliers

We have a zero-tolerance approach to modern slavery and we continuously strive to act ethically in all of our branded supplier negotiations to ensure that modern slavery is not taking place within our business or in any of our supply chains.

We expect branded goods suppliers to uphold the same high standards and values that we have with regards to modern slavery and to regularly review their supply chains to ensure they minimise the risk of modern slavery occurring.

If we identify suppliers using modern slavery within their supply chain, we will pause purchasing from them and thoroughly investigate the issue.

Goods-not-for-resale

We ask all suppliers invited to tender to follow the BSCI Code. We also track the country of origin of both the suppliers' bases and the sources of the products to help us identify high-risk suppliers. In 2022, we will continue to implement these safeguards in our processes.

This statement is approved by the Board of Directors of Savers Health and Beauty Limited and signed on its behalf by:



Peter Macnab

Director of Savers Health and Beauty Limited

Date: 22 June 2022

