



Modern Slavery and Human Trafficking Statement

Savers Health and Beauty Limited
Year ended 30th December 2023

Introduction

At Savers, we are mindful that as a leading UK Health, Home & Beauty Retailer with a worldwide value chain that we must always act ethically and engage with our suppliers and contractors to ensure that we are aligned on our Anti-Modern Slavery ambitions. Modern Slavery is a global human rights issue that affects millions of people worldwide, including in the UK and requires a coordinated effort from governments, businesses, and individuals to stop.

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 Savers 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 Savers business activity during the financial year ended 30 December 2023 and builds on our continuous commitment to combat Modern Slavery as set out in our previous Modern Slavery statements found here: [Savers | Health Home Beauty](#)

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Statement Approval



Message from our Managing Director

We at Savers, recognise the ongoing risks of human trafficking, slavery, servitude, forced and compulsory labour, and support the UN's Sustainability Goal 8.7 to eradicate these practices. We are proud to continue our partnership with the UK-based Anti-Slavery charity Unseen, which provides safe housing and support for survivors, as well as a 24-hour helpline. I am grateful to Justine Carter, Unseen's Director, for providing a foreword to our Modern Slavery statement and for the ongoing partnership.

We understand that continuing geo-political, economic and environmental global and local events can increase the risk of Modern Slavery in our value chain and we remain vigilant to evolving risks. 2023 was a year focused on rebuilding after the challenges posed by the COVID-19 pandemic however there are ongoing conflicts in Ukraine, Israel, Palestine, and Sudan which heighten vulnerabilities and can create opportunities for exploitation.

Here in the UK, we are only too aware of the impact of the last few years on our colleagues and customers. The UK economy has started to recover, with

job growth in various sectors. However, the cost-of-living crisis is still being felt across the UK and there is still a significant social inequality gap which we know impacts the communities we serve. At Savers we understand that we must support everyone who works for or with us including our direct employees and contractors, as well as engaging with our manufacturers and suppliers to ensure that high ethical standards are always maintained and that we do not contribute or benefit from Modern Slavery. In 2023, we focused on increasing human rights protections in our operations through a combination of rigorous supplier onboarding, supply chain due-diligence processes including supplier ethical audits and investigations, alongside raising awareness through heightened training and communication. Modern Slavery prevention remains an integral part of our Sustainability framework, and we have plans in place to continue the focus during 2024.

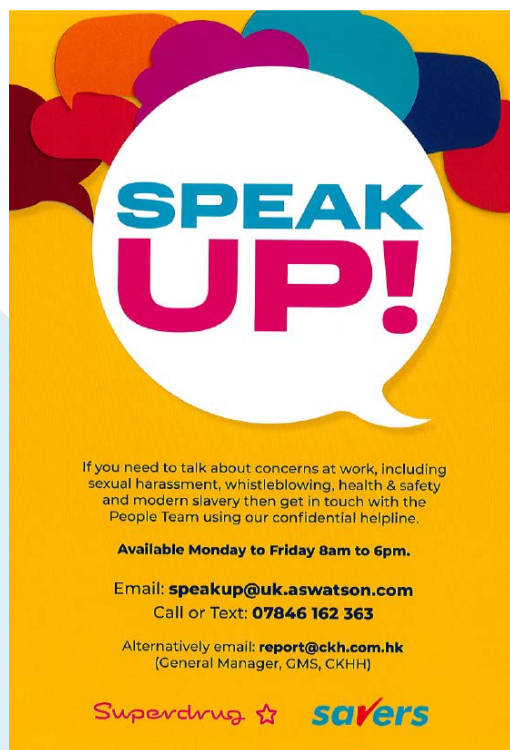
We believe that only by global society working together can we eradicate Modern Slavery for good. Thank you for taking the time to read our 2023 Modern Slavery Statement.



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

Douglas Winchester

Reporting a Concern



We understand that it takes great courage to decide to raise a concern about suspected Modern Slavery or to reach out for help if you are a victim. We want to make it as easy as possible for concerns to be raised which is why we have included the reporting information below. During 2023 we launched an additional reporting hotline (the Unseen 24-hour helpline) to our business. Details of how we encourage people to report concerns are outlined below.

If you suspect cases of Modern Slavery, in any part of our business or tier of our supply chains, we urge you to report these concerns through the below channels. All reports will be treated confidentially by colleagues.

Internal Whistleblowing inbox:
SpeakUp@uk.aswatson.com
Call or text the Internal Whistleblowing phone line:
07846 162363

If you are a victim of Modern Slavery or need to seek advice for someone who you suspect is, then Unseen provides safehouses and support in the UK for survivors of human trafficking and Modern Slavery.

Unseen 24-hour helpline is:
08000 121 700



Foreword: Unseen Partnership

“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 Savers, 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.”

Justine Carter,
Unseen Director

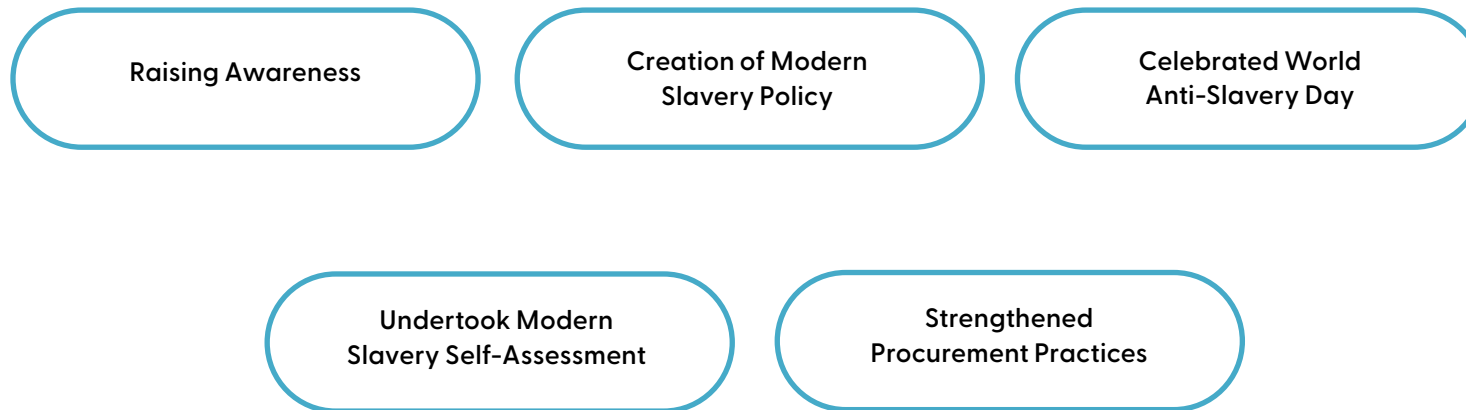
To find out more about Unseen’s vital work click here:
[About Modern Slavery - Unseen \(unseenuk.org\)](https://unseenuk.org)



2023 Highlights

Led by our committed AS Watson Modern Slavery Steering Group (“Steering Group”), during 2023, we undertook numerous activities to review and mitigate the risks of Modern Slavery within Savers as well as working to raise awareness of Modern Slavery to all colleagues. We believe working together in an open and honest way is key in making sure we are doing all we can to not engage with activities related to Modern Slavery. Further information on our key risk and control areas can be found in the department updates later in this statement.

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



Highlights

Raising Awareness

During 2023, we focused on raising awareness of Modern Slavery with all our colleagues.

We partnered with Unseen to implement their helpline to our colleagues and contractors who work in our head offices and our distribution centres (including our agency employees) as a way people can reach out for independent support.

We developed and distributed posters within our offices and distribution centres to highlight the existence of the helpline and reporting hotline for colleagues to utilise if they have Modern Slavery concerns.

Colleagues were required to complete mandatory online Anti-Modern Slavery training.

During November and December 2023 select individuals attended live Remediation training hosted by Unseen to increase the knowledge within our business on considerations around remediation to victims of Modern Slavery, such as making sure our business has a victim-centered approach to any concerns raised.

Unseen presented at our Property Contractor Day in 2023 to highlight Modern Slavery within the UK and the importance of being vigilant to this in the UK construction industry.



Highlights

Savers Modern Slavery
Investigations 2023: 0

Creation of Modern Slavery Policy

The Steering Group nominated representatives from the legal, people and ESG (Environmental, Social and Governance) teams who created the Modern Slavery Policy. We have always had strong governance and risk management policies through the comprehensive AS Watson Group human resource policies. These AS Watson Group policies outline the process whereby colleague can raise concerns, including about Modern Slavery. However, we felt strongly that we should enhance these policies with our own Modern Slavery policy to highlight the importance of this issue and support individuals to locally report any suspected concern as easily as possible.

Celebrated World Anti-Slavery Day

We celebrated World Anti-Slavery Day on the 18th of October 2023. We used World Anti-Slavery Day as an opportunity to further raise awareness of Modern Slavery to all colleagues. Representatives from Unseen visited Savers Head office and the Southern Distribution Centre, to bring to life Modern Slavery to a range of colleagues by providing information on Modern Slavery in the UK, how Unseen support victims and their helpline details.



Thea Cooper, Unseen Senior
Business Manager visiting the
Savers Head Office and
Distribution Centre, October 2023

Strengthened Procurement Practices

We worked on strengthening our procurement practices and we trialled an ESG questionnaire for use during our tender process for selected 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 Benchmark* 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](#)

Savers History and Group Structure

Founded in 1988, Savers is one of the UK's leading Health, Home & Beauty retailers and is a wholly owned subsidiary of AS Watson (Health & Beauty UK) Limited ("ASW H&B UK") and is a member of the AS Watson Group which is the world's largest international health and beauty retailer. ASW H&B UK are made up of the following companies:



Savers is ultimately controlled by CK Hutchison Holdings Limited, which is listed on The Stock Exchange of Hong Kong Limited. 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.



We imagine a slave-free world whereby businesses collectively redefine how to approach social sustainability. Whereby working professionals wake up every morning feeling inspired and fulfilled by their work, knowing that the children, men, and women who have fallen victim to the actions of criminals, can return home safely to their families. We believe the best way to build this world is to commit to making it together.

The Mekong Club is a not-for-profit organisation that focuses on working with the private sector to address Modern Slavery and related crimes, such as human trafficking and forced labour. [About Us - The Mekong Club](#)

We are proud to say that AS Watson Group was the first signatory of The Mekong Club to sign up to its Business Pledge Against Modern Slavery in 2017, demonstrating their commitment to preventing and addressing Modern Slavery. We ask that all key suppliers adhere to this high level of ethical conduct through our supplier code of conduct (“Supplier Code of Conduct”) which they receive upon entering into contract with us. At Savers through AS Watson we led by example and the same ethical conduct standards are incorporated into our employee code of conduct (the “Employee Code of Conduct”). The 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.

In 2023 we utilised the Mekong Club training materials and resources including rolling out the mandatory Anti-Modern Slavery Training for all colleagues, this training was impactful in raising awareness of the extent of Modern Slavery globally, including here in the UK. We have also developed and delivered more specialist Anti-Modern Slavery awareness training, with materials from The Mekong Club for employees who may encounter Modern Slavery situations, such as human resources managers, distribution and logistics managers, and procurement managers.

Our Operating Model



5,214
Employees



520
Stores



3
Own Brand
Suppliers



1
Overseas
country directly
sourced from



2
Distribution
Centres



£755m
Revenue

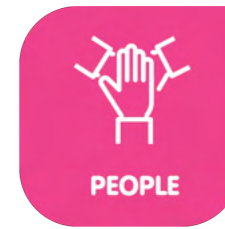


550
Total number
of suppliers

Anti-Modern Slavery Governance Framework: AS Watson Modern Slavery Steering Group

Human Rights is one of Savers' Sustainability key focus areas and sits within the People Pillar of the Sustainability framework. Modern Slavery prevention is an important part of this. More information on our Sustainability activities can be found [here](#). Savers, Superdrug and The Perfume Shop as companies of ASW H&B UK have come together to form a dedicated Steering Group since 2022. The Steering Group's purpose is to undertake ongoing risk assessments of our business' full value chain and then to oversee and co-ordinate the Anti-Modern Slavery initiatives for all UK based companies of the AS Watson Group. It is everyone's responsibility to be vigilant to the risks of Modern Slavery and to use the tools available to ensure that we are proactive in assessing risks and managing any concerns effectively.

The Steering Group includes representatives across ASW H&B UK and its trading businesses, it is chaired by the Head of ESG for Superdrug and sponsored by the ASW H&B UK Finance Director.



The Steering Group is responsible for:

- » monitoring, reviewing and reporting on Anti-Modern Slavery activities;
- » assessing potential risk areas that could be exposed to Modern Slavery;
- » developing initiatives to help mitigate Modern Slavery risk areas that have been identified within our business and supply chain;
- » progressing our Anti-Modern Slavery strategy and implementation plan including regular reviews of progress within our business operations and supply chain;
- » reporting back to our business and key stakeholders on the results, including any Anti-Modern Slavery corrective activity identified;
- » implementing any AS Watson Group wide strategy related to preventing Modern Slavery.

During 2023, with the ongoing partnership with Unseen the Steering Group continued their focused approach on the key risk and control areas, further details of which are contained later in this statement.

Key Risk and Controls Areas

On this page are the Steering Group's key risk and control areas which we are reporting in this Modern Slavery statement.

Governance & Reporting



People, Training and Communication



Value Chain for Goods and Services



Logistics





Governance & Reporting

The 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, as well as countering Modern Slavery and forced labour, bribery and corruption. Our human resources' policies supplement and complement our Employee Code of Conduct.

In 2023, we reviewed our AS Watson Group and UK human resources' policies which include but are not limited to our Whistleblowing Policy, Grievance Policy, Recruitment Policy and Right to Work Policy; and created a new Modern Slavery Policy. The policy confirms our commitment to acting ethically and with integrity in all our business dealings and relationships. 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.

We provide our employees access to a confidential helpline called "Speak Up" which enables our employees to report any concerns directly to the Savers Head Office via telephone and email to be dealt with confidentially by a team member. That individual is a member of the people team who has undertaken enhanced Anti-Modern Slavery training. The "Speak Up" helpline is operated during our business working hours and forms part of all employees' online inductions. Furthermore, the helpline also contains additional contact details for CK Hutchison Holdings Limited, which shows the importance of Anti-Modern Slavery across the whole corporate structure.

As part of our partnership with Unseen we also share the Modern Slavery and Exploitation Helpline number with our workforce, as an independent reporting route for concerns. During 2023 we displayed posters with communication of the helpline in our Head Offices and Distribution Centres. The Savers Board remains fully committed to combatting Modern Slavery in our full value chain and accordingly it supports the establishment of the partnership with Unseen and endorsed the Steering Group's activities for the year 2023.

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 is not 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 require key suppliers to observe and comply with the principles as set out in the BSCI Code of Conduct (the “BSCI Code”) and the Mekong Club Business Pledge, through our Supplier Code of Conduct and Terms and Conditions.

If we identify suppliers potentially using Modern Slavery within their supply chain (or any such subcontractor), either through our internal processes or via a concern being raised we will pause purchasing from them, thoroughly investigate and take appropriate action.





Value Chain for Products: Own Brand

At Savers, the products we have contractually manufactured under our guidance (“Own Brand”) are key to our success. We are conscious of our supply chain responsibility so high standards of ethical compliance are an integral part of our sourcing processes for Own Brand products, and we continually strengthen these standards wherever possible.

Since 2008, the AS 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 and guidelines](#). It 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 through our Supplier Code of Conduct and where appropriate, we conduct regular compliance assessments against the BSCI Code.

Value Chain for Products: Own Brand

Our Own Brand products are sourced from 3 suppliers, which manufacture their products in over 25 manufacturing sites across China, which is identified as being in higher risk country. Suppliers that carry out manufacturing activities in higher risk countries are not approved to supply Own Brand products until an appropriate independent ethical audit through an external audit firm is submitted for our review and we are satisfied that any perceived Modern Slavery risks have been addressed.

Once established as a supplier, they remain subject to regular annual ethical audits by independent third-party auditing companies. An ethical audit is an inspection or examination of processes or systems to ensure compliance with ethics-related requirements. It is an investigation into how well a company or organisation conforms to the ethical standards of its industry or society in general. It is designed to reveal the practices of a business and its dealings, to see how closely a company follows its own rules, as well as its level of compliance with any external ethical guidelines and nationally recognised standards. The audits are generally based on the labour standards of the International Labour Organisation and international regulations such as the Universal Declaration of Human Rights.

The audits are completed using set frameworks such as the BSCI, SMETA or SA8000 standards. A score of 'C' or above is required on these independent audits conducted on our direct suppliers, which is equivalent to 'acceptable' in the BSCI scoring methodology. A remediation plan for any issues identified must be provided following the audit, which must outline the improvements that the factory must make in order to achieve compliance and the specific timeline required. If appropriate remediation cannot be achieved alternative suppliers are engaged in a timely manner.

In 2023, 100% of our Own Brand suppliers in high-risk countries had an ethical audit via an independent 3rd party company in place. We recognise that our significant purchasing power has the ability to positively influence ethical minimum standards within our supply chain. In late 2022, we introduced the The Supplier Code of Conduct, which asked our suppliers to confirm they will observe as proof of their commitment to meeting these ethical standards. This includes their commitment to setting minimum labour standards, and fighting Modern Slavery. We require that all our Own Brand suppliers act with the upmost integrity in the conduct of their business and observe and comply with the principles as set out in the BSCI Code of Conduct and the Mekong Club Business Pledge.

Value Chain for Goods and Services not for resale

Savers regularly engage with 3rd party suppliers to bring goods or services into our stores and operations. We are committed to ensure 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.

All suppliers invited to tender must provide anti-slavery statements or show a commitment to anti-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 procurement 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 supplier of each tender. These written commitments seek to ensure that we do not engage with any suppliers who benefit from Modern Slavery. Savers is 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 request information about a business's awareness, risk assessment and mitigation in respect of 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.



People, Training and Communications

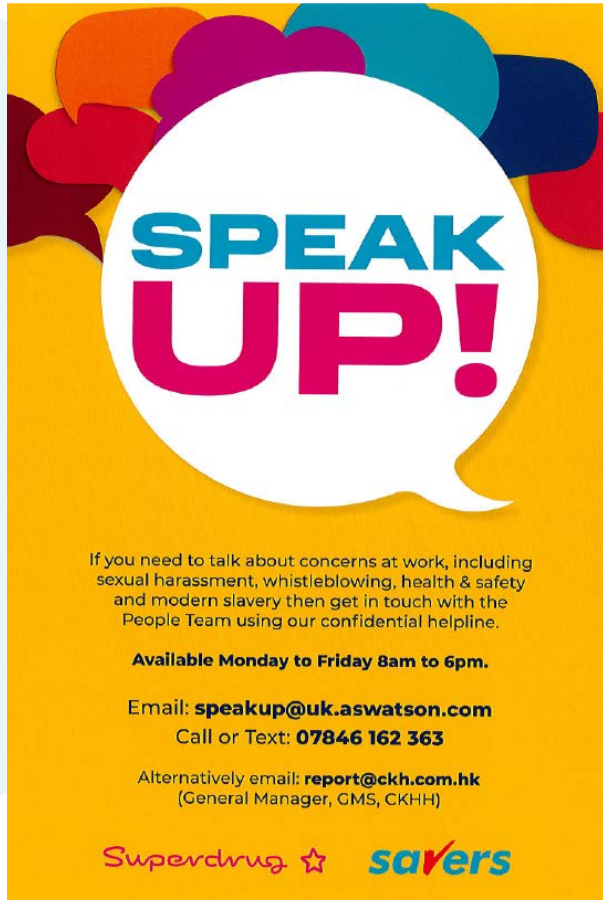
At Savers we employ over 5,000 colleagues across our stores, distribution centres and head office. We are passionate about continued personal and professional development for all colleagues and truly believe that the prevention of Modern Slavery is everyone's responsibility, and we should provide the tools to help our colleagues fulfil this development.

Anti-Modern Slavery training for all employees:

We are committed to educating and raising awareness of Modern Slavery with all our colleagues across our business. Savers has a corporate induction that includes mandatory Anti-Modern Slavery training modules for all roles through an online platform called 'Edge'. The training covers the definition, causes, and consequences of Modern Slavery, as well as our policies and procedures to prevent and address Modern Slavery, and is designed to raise awareness and understanding of Modern Slavery across our workforce. The training aims to equip the employees with the skills and knowledge to identify, report, and respond to potential cases of Modern Slavery in our operations and supply chain. The training also covers the legal and ethical implications of Modern Slavery, the best practices and standards for mitigating Modern Slavery risks. The training materials are provided by the Mekong Club. The Anti-Modern Slavery training is reissued to all employees every 2 years, across our stores, distribution centres, and head office.

Training Completion Rates 2023:

Employee Population	2023 Percentage Completion Rate
Retail Colleagues	87%
Distribution Centre Colleagues	88%
Head Office Colleagues	88%



Specialised training for employees with possible exposure to Modern Slavery:

We have developed and delivered more detailed Anti-Modern Slavery awareness training, with materials from the Mekong Club for employees who may encounter Modern Slavery situations, such as human resources managers, distribution and logistics managers, and procurement managers. The Anti-Modern Slavery training is to be completed every 2 years.

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.

Savers will continue to monitor and track the completion of the training quarterly, through its online platform and report on the progress to the Steering Group.

We recognise the importance of continuing to raise awareness about Modern Slavery and promoting a culture in which our teams feel confident they can 'Speak Up' and report any concerns they may have. Information on this is provided during all colleague inductions and we have 'Speak Up posters' available to all colleagues which explains how they can raise any wellbeing concerns including Modern Slavery. These reporting lines are monitored by colleagues from our people team who treat all reports confidentially and with a victim centred approach.

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 our 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. The logistics team use the same rigorous processes outlined previously in this statement to reduce the risk of Modern Slavery occurring in the operation including:

- contractual controls to ensure that 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; and
- colleague training on Modern Slavery and Remediation, as outlined in the People, Training and Communication section.

In addition to this, checks are undertaken prior to contracting with 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 to ensure they have adequate internal mechanisms in place through which agency workers can raise any grievances or concerns and that any issues are addressed and escalated as appropriate to our People Team.

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. This documentation inclusion helped to ascertain and ensure all suppliers put forward for tender can provide Anti-Modern Slavery Statements or show a commitment to anti-slavery by agreeing to our Modern Slavery Statement. By doing this we help to mitigate the risks of Modern Slavery when employing agency labour particularly during peak periods. During 2023, we reduced our reliance on agency labour by creating around 300 new AS Watson roles within our transport operations.



Statement Approval

In 2024, we are committed in 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. We will be 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 Benchmark self-assessment to make our Anti-Modern Slavery framework more robust.
- Explore ways to develop our Anti-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 Modern Slavery practices across the business.

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



Doug Winchester
Managing Director of Savers
Health and Beauty Limited
Date: 20/06/2024



HEALTH HOME BEAUTY