

MODERN SLAVERY & ETHICAL TRADING STATEMENT

August 2023 - July 2024

CHARLES TYRWHITT

JERMYN STREET LONDON

DOING THINGS PROPERLY

Here at Charles Tyrwhitt we endeavour to produce the finest menswear, with timeless style and no compromise on quality. It's no secret that we care deeply about our products but we also care passionately about the skilled workers who are instrumental in bringing Tyrwhitt products to life.

Our focus on people and their wellbeing goes well beyond those in our direct employ and extends throughout our value chain. Those who create our products are an integral part of our brand and their wellbeing underpins the long term success of our business. We are committed to ensuring that every single person involved in the creation of a Charles Tyrwhitt product is treated as fairly as our own employees. We must never forget that we can only build our business one person at a time.

Our values underpin everything we do. We have a zero-tolerance approach to modern slavery and human trafficking, which is reflected in our policies and controls on Ethical Trading throughout our product supply chain. We work closely with our suppliers to ensure that forced labour is not being used within our supply chain.

With over 27 product suppliers based in 11 countries, some of whom we have been working with for more than 15 years, we have established strong business partnerships. We will continue to nurture these relationships and remain true to our values.

As part of our continued commitment to 'doing things properly', we are pleased to share our modern slavery and ethical trading statement for the financial year ending 31st July 2024. This statement outlines the measures that Charles Tyrwhitt has taken to prevent human trafficking and Modern Slavery from taking place within our business and supply chain and our next steps for the year ahead.



LUKE KINGSNORTH, CEO, CHARLES TYRWHITT LIMITED
SEPTEMBER 2024





WHAT IS MODERN SLAVERY?

Modern Slavery is an overarching term for a complex, evolving and often hidden type of employment that encompasses forced and compulsory labour, and human trafficking. It exists in both developing and developed countries, including the UK, and can involve UK citizens as well as foreign nationals.

- Human trafficking – the process of bringing a person into a situation of exploitation
- Forced and compulsory labour – all work or service which is not voluntary and is exacted under the menace of a penalty
- Bonded labour – when workers borrow money to pay fees to recruiters or labour brokers to get their job and then must spend most of their wages to pay off that debt. Workers are unable to quit despite unfair or illegal conditions because of their debts
- Slavery – a situation where a person exercises (perceived) power of ownership over another person

SOURCING WITH CARE

We pride ourselves on the quality of our product proposition. We scour the globe to find the best partners to manufacture our products and demand the highest standards in quality and ethical production. Our long-standing strategic supplier relationships, many of whom have been with us from the beginning, are based on trust, transparency and shared values that are based on the fundamental principles of our [Ethical Trading Policy](#).

Our Supply Chain currently consists of 11 countries, 27 suppliers, (of which 14 are clothing and 13 made up across shoes and accessories) and 34 Tier 1 factories. 94% of Charles Tyrwhitt products come from four key countries.

Although not a member of the ETI, the Charles Tyrwhitt [Ethical Trading Policy](#) is based on the UK Ethical Trading Initiative (ETI) base code and our policies are based on International Labour Organisation (ILO) standards, to ensure fair working conditions and practices for all those involved in the supply of our products.

The Charles Tyrwhitt [Ethical Trading Policy](#) outlines the commitments we make and the processes we require from all our product suppliers to demonstrate compliance and good practices through the supply chain. Our suppliers are required to submit an annual independent audit to confirm manufacturing standards, compliance and good working practises are aligned to our [Ethical Trading Policy](#) and Supplier Code of Conduct.

Our Technical and Buying teams visit the factories on a regular basis, not only looking at current production but also reviewing the welfare of the workers through engagement programmes. Informed by the best available information, we choose to work with suppliers who demonstrate ethical practices above what would be considered the minimum.

ETHICAL TRADING POLICY & SUPPLIER CODE OF CONDUCT

The Charles Tyrwhitt [Ethical Trading Policy](#) and Supplier Code of Conduct is based on the ETI Base Code which is detailed below. A full version of the Policy can be found on our website.

1. Compliance with Local Laws
2. Employment is freely chosen
3. Freedom of association and the right to collective bargaining are respected
4. Working conditions are safe and hygienic
5. Child labour is forbidden
6. Living wages are paid – to enable a standard of living that allows food, housing, education and healthcare
7. Working hours are not excessive
8. No discrimination is practised
9. Regular employment is provided
10. No harsh or inhumane treatment is allowed

All supplier partners must adhere to our Code of Conduct, which details our expectations to ensure safe and fair working environments and practices within our supply chain. We set the highest standards and work collaboratively with each supplier to increase our understanding and find solutions together.

Alongside annual independent supplier audits and factory self-assessment, we use the Higg Index, a suite of tools developed by Cascale - an alliance whose members represent every link of the global value chain for apparel, footwear, and textiles; home furnishings; sporting and outdoor goods; bags and luggage. These tools are designed to measure social and environmental performance within our supply chain, through industry leading, web based platforms that better enable the exchange of primary data between suppliers and the brands they produce for.

In the 23/24 financial year we signed up for full membership, supporting our long-term vision of full transparency and traceability within our supply chain. The Higg Index's Facility Social & Labour Module (FSLM) is allowing us to monitor and improve the social performance of our supply chain by identifying and addressing issues that negatively affect the people working within it, such as working hours, worker treatment and recruiting practices.

We also use the Higg Index's Facility Environmental Module (FEM) to measure our supply chain's environmental performance. The cadence of these assessments is on an annual basis. We will provide a more detailed update of our progress across both Higg Index modules in next year's Modern Slavery and Ethical Trading Statement.





LOOKING AHEAD

Our FY24/25 actions remain focused on supporting our longer-term vision of full transparency and traceability within our supply chain. This includes identifying the most vulnerable and high-risk workers, and working in partnership with our suppliers to gain more visibility of our supply chain.

In line with our new sourcing policy framework, we continue to use the Higg Index to measure the social and environmental performance of our supply chain. With the additional support of a newly created sourcing coordinator role, we can ensure that we continue to visit factories as part of our onboarding process and further nurture those supplier partner relationships at our supplier conference.

HIGG INDEX ADOPTION (SUPPLIER LEVEL)

Our immediate focus is ensuring all of our Tier 1 suppliers are signed up to Worldly (provider of the Higg Index suite of tools) and are formally engaging in each year's cadences of FEM and FSLM reporting. Over the next financial year we are targeting an increase in our FEM and FSLM Module completion rates.

FACILITY ENVIRONMENTAL MODULE (FEM)

In the 2023 cadence of reporting, 17 out of our 27 Tier 1 suppliers completed a self assessment for the Facility Environmental Module (FEM), returning a completion rate of 63%. In the next cadence of reporting for 2024 we expect to see a steady increase in the FEM Module completion rate.

FACILITY SOCIAL & LABOUR MODULE (FSLM)

In the 2023 cadence of reporting, 2 out of our 27 suppliers completed a self assessment for the FSLM Module giving us a completion rate of 2%. Understandably, this completion rate is much lower than we would expect.

In the 2024 cadence, Worldly have recognised that the sign up rates for Higg's FSLM module have been exceptionally low across the industry - this is in part down to suppliers already completing other relevant social and labour audits on an annual basis. As a result, Worldly will now be accepting other third party audits and these will count against the annual FSLM cadence of reporting. We therefore expect our completion numbers to show a marked improvement by next year.