

JOULES

MODERN SLAVERY
STATEMENT

FOR THE YEAR ENDED 28 MAY 2017



MODERN SLAVERY STATEMENT

JOULES GROUP PLC

FINANCIAL YEAR ENDED 29 MAY 2016

INTRODUCTION

Joules is a UK-based premium lifestyle brand which designs and sells Joules-branded lifestyle clothing, accessories and homeware. The main trading company in the UK is Joules Limited, which is ultimately owned by Joules Group Plc. Joules Group Plc also has subsidiaries in the US, China and Hong Kong ("the Group").

This is our second statement made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes the Group's slavery and human trafficking statement for the financial year ending 28 May 2017.

Joules is proud of the steps it has taken to combat slavery and human trafficking within its supply chain and is committed to continually improving its practices.

WHAT DO WE MEAN BY 'MODERN SLAVERY'?

We have derived our definition of Modern Slavery from the UN guiding principles on human rights:

Modern Slavery involves one person depriving another of their liberty in order to exploit them for personal or commercial gain.

OUR OPERATIONS, POLICIES AND PRACTICES

To ensure our products are of the high quality that our customers expect from us we manufacture all over the world. We are committed to ensuring that there is no modern slavery or human trafficking in our supply chains or in any part of our business and take a zero tolerance approach.

Our policies and procedures for suppliers reflect this commitment and clearly set out the values, expectations and strict standards that we expect all of our suppliers to meet. These policies are clearly communicated to all of our suppliers and each supplier is required to independently confirm that they adhere to these. Our ethical standards are based on the Ethical Trade Initiative (ETI) base code guidelines and our requirements not only cover modern slavery, but also our wider expectations in relation to ethical and responsible sourcing and manufacturing.

We work closely with all of our suppliers to ensure that they understand, and meet, all of our ethical sourcing requirements. We have a dedicated sourcing office in Shanghai, staffed by over 40 Joules employees, as well as a team in the UK, allowing us to maintain close working relationships with each of our suppliers and helping us work in partnership with them to consistently deliver against and meet these requirements.

Our supplier contractual terms include obligations on suppliers with regard to compliance with the Modern Slavery Act and ensuring that they do not use trafficked, bonded, child or forced labour. Joules has the contractual right to take appropriate action for failure to comply with these obligations, which includes the right to terminate the contract and report any wrongdoing.

MONITORING OUR EFFECTIVENESS IN COMBATING SLAVERY AND HUMAN TRAFFICKING

We have a robust programme in place to ensure that all of our suppliers are audited by an independent auditor against our ethical standards (including those related to modern slavery) and to support our suppliers to consistently enhance their practices, with a view to ultimately not just meeting, but consistently exceeding, our ethical standards as well as meeting all other criteria required by local law.

Between October 2016 and end of May 2017 we undertook audits on 117 factories which included 100% of our finished product suppliers. Our audits are conducted using the Sedex Members Ethical Trade Audit (SMETA) format and, along with internationally recognized 3rd party auditing companies and our own auditors, we endeavour to ensure every factory is assessed annually. The audit scope covers the following key areas: 1. Prison / Forced Labour, 2. Freedom of Association, 3. Child Labour, 4. Health & Safety, 5. Wages and benefits, 6. Working Hours, 7. Discrimination, 8. Regular Employment, 9. Disciplinary practices, 10. Environment. By reviewing these key areas we seek to ensure that no forced / bonded / child labour is used in any of the manufacturers we use.

In addition from the beginning of 2017 we have started an audit program to cover the same criteria for our nominated raw material suppliers. We will continue to assess and reassess within our manufacturing supply chain to ensure we are only using those companies that provide the ethical and social standards for workers that are required.

In September 2016 we held our annual Suppliers' conference in Shanghai. 50+ suppliers attended and we took the opportunity to discuss Joules CSR and our ongoing ethical and social audit program with our 3rd party partner Omega Compliance.

Our external whistleblowing arrangements remain in place to allow employees to raise any concerns, on a confidential basis if they prefer.

CONTINUOUS IMPROVEMENT

In the next financial year we will update the Supplier's Manual which includes a section on labour practices in accordance with the International Labour Organization Conventions.

We will review the process for on-boarding of new logistics providers to ensure that their anti-slavery practices are in accordance with the above standards.

We will continue to build on existing awareness within the business and identify any training needs.



COLIN PORTER, CEO

Approved by the board of Joules Group Plc
on 3rd November 2017

