

*Modern Slavery &
Human Trafficking Statement 2023*



WHAT IS MODERN SLAVERY?

We are pleased to share our fifth Modern Slavery and Human Trafficking statement detailing the progress we have made to date. We continue to apply a focus to this area, ensuring continual improvement and advancement on previous work.

Modern Slavery remains a hidden blight on our global society.

We all have a responsibility to be alert to the risks, however small, in our businesses and in the wider supply chain. Our colleagues are expected to report concerns and our management team are expected to act upon them.

Many think of slavery as a relic of history, eradicated in the nineteenth century by the abolitionist movement. Unfortunately, slavery continues to flourish in the modern world. Modern Slavery refers to situations of exploitation that a person cannot refuse or leave, because of threats, violence, and coercion, abuse of power or deception. There is no room for Modern Slavery within our supply chain or our retail business in general.

We are committed to acting ethically and with integrity in all our business relationships and are taking steps to enforce effective systems and controls, to ensure that no Modern Slavery or Human Trafficking occurs anywhere in our supply chain in the UK or internationally.



40 million people estimated to be trapped in modern slavery worldwide



1 in 4 of them are children



71% are Female



29% are Male

Pavers Shoes is one of the UK's leading shoe retailers.

Established in 1971 we remain family owned-and-run, and also own and operate the **Jones Bootmaker, Herring Shoes, Padders** and **Van Dal** brands.

Headquartered in York, Pavers has grown significantly and now operates as a multi-channel retailer, selling its products via over 170 stores nationwide, website pavers.co.uk, mail order catalogues, together with exposure to major shopping channels. We have over 1,700 people in our ever-expanding family.

In 2021 we were voted one of the **Top 10 Retailers in the country to work for (Best Companies)**, and in 2020 were recognised in the **Sunday Times' Top Track 250**, and also won **Best Footwear Retailer (Multiple)** at the Drapers Awards. Latterly, in 2023 we were awarded **World Class 3* Accreditation by Best Places to Work**, voted for by our colleagues.

We are passionate about providing comfort and happiness to our customers, and we make sure to employ people who are as passionate as we are. We provide great jobs in a supportive family environment for our colleagues. We know that without our colleagues there is no business, and so the better we look after them, the better the service our customers receive. We endeavour to treat people with respect and in a way we would wish to be treated ourselves. Fairness is embedded into our DNA.

We strive for diversity of thinking across the business and believe strongly in supporting our local communities. The Pavers Foundation launched in 2018 was established to reflect the passion of the Paver family to help and improve lives across the UK and beyond, specific purpose of providing grants for causes important to all our colleagues in the areas of health, education, and community. With an initial donation from Pavers of £2.2m, together with additional funds donated from our Founders estate.

Every year Pavers donates 2.5% of its net profits to the Foundation, together with monies collected from the plastic carrier bag levy. The Pavers Foundation has now donated over £1.7 million to good causes and continues to make a difference with every pair sold. In terms of the environment, we are constantly seeking to reduce our impact. Since 2020 we have been fully carbon neutral, and we also have one of the largest solar arrays in the North-East of England on our warehouse generating clean energy. We planted our first forest in York in 2022 through the Pavers Foundation.

Our overarching aim is to be financially successful, but to achieve this in an environmentally and socially responsible manner.

OUR POLICIES & FRAMEWORK

As a business we strive to strengthen our approach to continue to identify and mitigate risks within our supplier base and supply chains. We work with over 75 factories, of which 10% we have worked with for over 10 years, highlighting our commitment to working together with our factories and helping them come along the journey with us.

Our focus is to continue to build on these relationships and continue to share our approach to ethical behaviour and commitment to eradicating modern slavery across our portfolio of suppliers. We take a zero tolerance approach to modern slavery and human trafficking this is embedded across our tier 1 supplier base with the expectation that this is then delivered via our tier 1 suppliers to their suppliers.

Any suppliers within our supply chain who are unable to comply with our code of conduct and Modern Slavery Statement Policies and refuse to collaborate with us on implementing improvement strategies would have their contractual relationship terminated immediately.

We continually look to lead change within our industry and have set up a working group to help facilitate this. This group comprises of members from Buying, Quality Control, Procurement and HR a cross functional group that sits quarterly and completes a 'Risk & Compliance Meeting' to assess progress, identify challenges and set where appropriate a corrective action plan. This working group reports into our Senior Operating Group who report to the Board on a monthly basis.

Our policies are communicated within the on boarding of all new suppliers both direct and indirect. This on boarding pack includes copies of our Code of Conduct, Modern Slavery Policy and Supplier Handbook.

CODE OF CONDUCT

Our Code of Conduct is based on the Ethical Trading Initiative (ETI) base code which is shared within our supplier handbook to all of our direct stock tier 1 suppliers.

This is delivered by our buying teams and our agents globally and is incorporated as part of the on boarding process for all new suppliers.

Factories are encouraged to display the base code in worker accessible areas in both English and local language(s) so that it is clear to all the standards the factory works to.

Our aim is to ensure that our suppliers integrate our policies into their own, and encourage workers to report their issues and concerns either directly to us, or via our agents. As well as the agreement to our terms and conditions the purchase order sent to the supplier is a contract and agreement that they are working to our requirements.

All sites of manufacture should be open to an inspection announced or unannounced by ourselves should the opportunity to visit arise.



IDENTIFYING RISK

Our supplier base continues to grow and currently spans over **75 suppliers across 20 international countries.**

With the reduced restrictions following Covid-19 we have been able to commence our programme of supplier visits over the last 12 months completing 25. These visits by our Senior Buying Team, Quality Control / Technical Manager and our Managing Director form part of our compliance strategy to ensure that we assess factories fairly. Reviewing both their performance and working conditions of their employees to ensure that they meet our expected standards. Our Agents also operate on our behalf, we instil our company values, policies and standards through them which are then cascaded to the factories under their individual areas.

We continually look for improvements and from 2023 we are introducing clearer framework and guidance pack on how our buyers, agents and compliance teams can identify victims of modern slavery during their factory audits. A 'Factory Risk Assessment' checklist will also be completed and recorded for each factory visit going forward.

Work has also commenced on building a Supplier Risk Matrix, this will allow us to map out and document our suppliers, track audits, log visits and provide a scoring mechanism. This log will be reviewed quarterly by the working group within the Risk and Compliance meeting. Any factories identified as falling into a risk category we will look to address and develop an improvement programme to bring them up to expected standards, following further assessments if they continue not to make the agreed steps to address the risks we have identified we will cease working together.

We work with a range of brands within the footwear industry. Throughout 2023 we aim to commence collating reporting packs from these 3rd parties and complete a due diligence exercise on their supply chains and compliance. Ensuring that they too have CSR and Modern Slavery policies that meet our expectations.

From 2022 we became a member of **SEDEX** under our **Jones Bootmaker** brand. **SEDEX** provides online platforms for companies to manage and improve working conditions in global supply chains. Providing practical tools, services and community network to help companies improve their responsible and sustainable practices. It is also a tool collating and accessing of factory audits ensuring we are partnering with suppliers who meet the requirements of **SEDEX**.

INDIRECT SUPPLIER

As part of our ongoing development and introduction of compliance checks across the business we are looking to strengthen our purchasing and procurement policies.

As part of our robust tendering process we now complete background checks and review all CSR and Modern Slavery Policies of all our A* and A grade suppliers. We will look to roll this out to all B grade suppliers over the course of the next 12 months.

We ensure there is always a balance between commercial and ethical considerations in all negotiations and contract renewals and strive to work collaboratively with our selected indirect suppliers. We look to ensure that negotiations do not negatively impact on pay and working conditions of the workforce.

From 2022 we have initiated a roadmap of quarterly supplier reviews across our A* / A and B grade suppliers. These reviews are held face to face when possible, include site visits and focus on identifying issues and supplier performance management. They are completed by our Head of Procurement and supporting team. With the focus on supporting and collaborating with our partners. These reviews provide the opportunity to identify any modern slavery / CSR issues within the supply chains and look to agree remedial action.

NEXT STEPS: 2023/24

Actions	On Going	Planned 2023
Provide Modern Slavery training awareness for teams within Buying, Procurement, HR, Senior Leadership Team		✓
Develop Direct (Stock) Supplier Risk Matrix		✓
Supplier Site Visit Programme	✓	
Introduce Supplier Risk Checklist		✓
Introduce Guidance Pack on identifying Modern Slavery for use during site visits		✓
Robust Supplier Selection Criteria	✓	
Collating of In-Direct Supplier CSR & Modern Slavery Policies		✓
Build Knowledge and educate across our Buying & Procurement teams through events / conferences	✓	
Continue with SEDEX membership	✓	
Internal Risk & Compliance group established	✓	
Risk & Compliance Group Reviews - Quarterly		✓

We can confirm that the information contained in this report is accurate and has been approved by the board of directors.



Stuart Paver
Managing Director



Jason Paver
Managing Director

Date Approved:
03/07/2023

Pavers are committed to introducing KPIs to develop, educate and raise awareness of Modern Slavery and Human Trafficking across our end to end supply chain. Our focus for 2023 is completing the next step actions driven by the steering group.

Our focus continues to ensure we collaboratively engage with all touch points across the supply chain to instil our company virtues, values and principles.