



Modern Slavery Statement 2022

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Introduction

One of the top beauty experts in the world and a global provider of luxury beauty, skincare and perfume products that has been shaking up the beauty industry since 2013.

The prevention of slavery and human trafficking is of rising importance on our agenda. We care deeply about the well-being of our employees, contractors and those in our supply chain.

This is our fifth Modern Slavery Statement in accordance with section 54 of the Modern Slavery Act 2015, the Australian federal Modern Slavery Act 2018 and the California Transparency in Supply Chains Act 2010 (SB 657) (**Statement**) of the Charlotte Tilbury group of companies. The Statement includes an update on the commitments of our Modern Slavery Statement during the financial year ended 31 December 2021 (the **Year**) to ensure human trafficking and slavery are not taking place within our organisation and supply chain.

We are publicly committed to ensuring that modern slavery and other human rights abuse in any form are not tolerated within our organisation or in our supply chain.

Charlotte Tilbury Limited forms part of the Puig S.L. group of companies. This Statement is made on behalf of Charlotte Tilbury Limited and each of its subsidiary companies (together the **Charlotte Tilbury Group**) (full details of the subsidiary companies are set out on page 12). We have prepared this Statement on a consolidated basis for the Charlotte Tilbury Group as we have a single compliance programme in place globally.

This Statement sets out the steps we have taken to identify, mitigate and address modern slavery risk within our business and supply chain over the previous twelve months and how we will continue to do so as Charlotte Tilbury Group grows.





Key developments for the year in review

- The Charlotte Tilbury Group evolved its Modern Slavery Committee into a formal **Modern Slavery and Ethical Trade Committee (Committee)** comprising key stakeholders from ESG (Environmental, Social, Governance), Procurement, Regulatory, Legal, People, Supply Chain, Quality and New Product Development. The Committee meets at least quarterly per annum. The Committee raises and monitors matters relating to Ethical Trade and Modern Slavery in the Charlotte Tilbury Group.
- We continued to promote our bespoke internal mandatory **Modern Slavery Training** which all Charlotte Tilbury Group employees must undertake annually. The new training is complemented by our mandatory Anti-Bribery and Corruption training. During the Year, we enforced the importance of all training within the Charlotte Tilbury Group and passed policy that certain employee benefits are contingent on mandatory training being completed in full each year.
- We resolved to build a dedicated **in-house ESG Department** comprised of **experienced employees in the area of ethical trade**. We currently have a Head of ESG who is working to audit our global compliance program in relation to ESG and in particular, modern slavery and ethical trade.
- We updated our **supplier on-boarding process**, to ensure the correct questions are asked and the right policies are rolled-out to meet our global due diligence requirements.
- In relation to **sustainable and ethical procurement**, we have partnered with an external company to host sustainability data on suppliers. The chosen platform will enable us to more effectively monitor the business integrity and social & environmental sustainability of our global supply chain.
- Where we identify that there may be higher risks in relation to modern slavery and human trafficking, we are commissioning on site social audit assessments of **supplier labour conditions** by qualified experts who regularly assess for indicators of possible modern slavery.
- In the event suppliers do not meet the expected standards identified through this evaluation system, we are establishing a **remediation action plan** for improvements of any non-conformances.
- We achieved **Leaping Bunny Approval by Cruelty Free International** on a global basis confirming all our products are free of animal testing at all stages of product development.





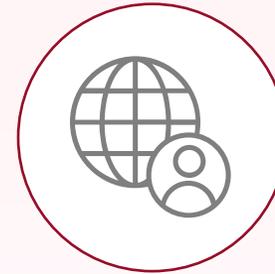
Our Business Structure and Operations



12
Freestanding
Stores Globally



57 Retail Partners,
and Concessions
Globally



1,639
Employees Globally



4 Head Offices

- London, UK
- New York, NY
- Shanghai, China
- Hong Kong



£367.4
Million Annual Turnover*

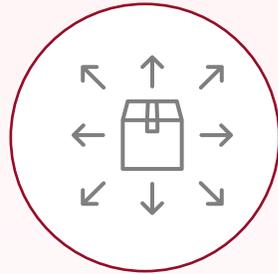


Our Supply Chain Structure

To produce our luxury beauty and skincare products we work globally with industry leading manufacturers and suppliers of components, consumables, and retail tools.



8 Distribution Centres



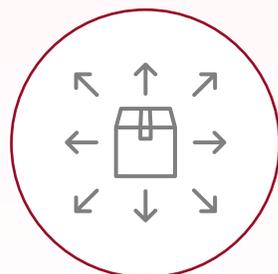
40+ Manufacturers



2 Freight Companies



12 Countries Products Sourced



c.1,730 Raw Materials



5.5 Years Average Relationship with Key Suppliers



Policies

Code of Conduct:

Our Code of Conduct sets out **expectations for ethical trading and fair working standards**. It reflects our commitment to acting with integrity in all our business relationships, and our evolving **systems and controls** to ensure slavery and human trafficking is not taking place in our supply chains. It also sets out our expectation that all employees, suppliers and third party partners will comply with ethics and anti-slavery practices.

Procurement:

Our now established **Procurement Team** have begun to increase awareness of our Code of Conduct with suppliers.

We have been increasing our steps towards ensuring commitment by all suppliers to our Code of Conduct fair working expectations.

People Policies:

We commit to an internal culture based on **inclusion, mutual respect and trust**. Our People Team policies include our Code of Conduct which is issued to all new joiners and available to employees throughout their employment. The **Employee Handbook** has been updated to include reference to Modern Slavery and a review is underway for the creation of an **Employee Code of Conduct**.

Our employee training together with the **Code of Conduct** and **Confidential Concerns Policy** are tools which support our employees towards identifying modern day slavery and reporting any concerns without fear of adverse consequences.

Effectiveness Assessment & Future Mitigation Plans:

- We are reviewing and improving our new **Supplier Onboarding Process**, to ensure the right questions and requirements are implemented.
- We continuously review and update our **Contract Authorisations Policy**, to ensure the appropriate internal controls in relation to contracts and agreements within the Charlotte Tilbury Group are in place and are working to integrate modern slavery risk indicators into this process.
- In 2022, we aim to integrate education around modern slavery risks into the **Employee Code of Conduct** which is currently under development. We are also considering ways to continuously improve the Confidential Concerns Policy, our whistleblowing platform.



Risk Assessment

Identifying Our Risk:

Modern Slavery comes in many different shapes and forms. We acknowledge that it can be hidden within a complex, often opaque, supply chain network.

During the Year we evolved our Modern Slavery Committee into an **Ethical Trade and Modern Slavery Committee** and working group to help identify risk.

The nature of our workforce includes **highly skilled office and store-based employees across the globe**. We have a strong People Team Department supported by an in-house global Legal Team. We do not believe we have modern slavery risk in our employee base.

We have identified that the higher risk of modern slavery lies within our supply chain, for example in the following areas:

- Where work is undertaken in **countries where modern slavery is more prevalent**.
- Where our manufacturers **subcontract manufacturing processes**.
- Where **non-resale services are provided** e.g., logistics.

Due Diligence:

Our Due Diligence processes help us assess and mitigate potential risks:

- **Onboarding processes** for employees and contractors (such as right to work checks & completion of key training) and for suppliers (such as ethical compliance assurances).
- **Ongoing monitoring and escalation processes** for employees (such as our Confidential Concerns Policy) and of suppliers (such as our commitment to implementing regular meetings reviewing anti-slavery compliance and our ongoing Segmentation Exercise to implement ongoing reviews of supplier compliance).

Effectiveness Assessment & Future Mitigation Plans

Our risk assessment and due diligence is continually evolving in order to increase efficacy. We aim to continue to **increase transparency and visibility into our supply chain**, as we continue to grow and collaborate with new suppliers, to assist us in reducing any potential risk, in the following ways:

- Exploring further due diligence and safeguarding via our **new online supplier risk assessment platform**;
- Undertaking **social audits** with select potentially higher risk suppliers and manufacturers;
- Following up on any risks raised through these and other **assessments and engagements**;
- Looking closely at the output from engaging our suppliers in initiation of our **raw materials mapping** of any high risk areas; and
- Aiming to initiate **appropriate actions** where there may be potential high risks identified from our raw materials mapping.



Supply Chain

Supplier Commitments:

We have **contractual commitments and clauses in agreements** from new key suppliers to comply with anti-slavery requirements, global and local.

Supplier Executive Review Meetings with our key suppliers include a regular agenda item for modern slavery compliance.

Leaping Bunny Approval by Cruelty Free International has meant all suppliers are required to comply with the Leaping Bunny Programme which is the globally recognised gold standard for cruelty free cosmetics, skincare and fragrance. It provides consumers with assurance that we have made a genuine commitment in our supply chain to help end animal testing.

Risk Assessment:

During the Year, we have continued to complete a **risk assessment exercise** of key suppliers to identify the most effective way to engage and monitor their ethical and anti-slavery compliance. This will be strengthened with the rollout of an online assessment tool planned to commence in July 2022.

By considering factors such as geography, product type, and supply/source points we are determining the most effective approach to take with each supplier.

During the Year, we have focused on the **assessment of external suppliers** located in geographical areas that are usually classified as "at risk" from a human rights and corruption perspective. We have very few suppliers from China, but currently consider these to be higher risk. We are also taking into account product type, sector risk, supplier maturity and supply /source points.

We have implemented a more robust **RFI (Request for Information) process** along with an online questionnaire and our Supplier Code of Conduct, asking sustainability and human rights risk questions in relation to procurement processes.

Raw Materials:

Towards obtaining **Leaping Bunny Approval by Cruelty Free International**, we engaged all our suppliers to further develop our raw material ingredients mapping. Any new raw materials are subject to the same assessment.

We have **identified the manufacturers of finished goods in our supply chain which use Mica** and are continuing to engage them for regular declarations for responsible Mica use. We are considering further appropriate due diligence towards high social standards, and for other potential higher risk raw materials.



Supply Chain (continued)

Effectiveness Assessment & Future Mitigation Plans:

We are updating our **Supplier Labour Standards Code of Conduct** to communicate clearly our expectations and support our suppliers with compliance.

We are continuing to develop our **risk assessment** and will continue this work during 2022.

We are starting to use an initial supplier **ESG assessment tool** which will take into account intelligence on human rights or modern slavery risk and risk management within our supply chain. We are also considering many other **due diligence** approaches, and utilising all data sources towards integration into supplier performance evaluation.

Our Quality Team has identified external manufacturers located in geographical areas where there may be higher human rights risks. As travel restrictions have now decreased, our teams have begun to conduct **supplier site visits**. For some potentially higher risk sites, we will commission **external specialist social audits** of labour standards.

We are considering various **modern slavery training tools** to further build engagement and awareness within the business.

We aim to **increase our collaboration and dialogue on issues with suppliers**, especially those that are higher risk, to influence continuous improvement and high standards.

We are considering whether there may be **relevant industry initiatives and external stakeholder and non-competitive peer collaboration** we could participate in and contribute to in order to further improve our efforts.

In 2022, we have brought in support from a **specialist in ethical trade and modern slavery risk management** who is supporting the Modern Slavery and Ethical Trade Committee to consider how best to continuously improve our approach to this work. We plan to **permanently recruit specialists in the ESG specialism** during 2022 and to work closely with our colleagues at Puig S.L who also specialise in this area.



Training

All Employee Training:

During the Year, we continued to promote our **bespoke internal mandatory Modern Slavery training**. As stated above, select employee non-contractual benefits were contingent on employees completing all mandatory training, which included Modern Slavery awareness training.

This training continues to be complemented by our mandatory annual **Anti-Bribery and Corruption training**, providing all employees a rounded training program on ethical business practices. During the Year, we also created a **bespoke Anti-Bribery and Corruption Policy for our China business** (including Head Office and retail employees and partners in China) to ensure we were protecting the business against Anti-Bribery and Corruption in higher risk markets.

Specialised Training:

We have narrowed down a list of **specialist external providers of in-depth training** in Modern Slavery and plan to pilot this in 2022.

Effectiveness Assessment & Future Mitigation Plans:

As the Charlotte Tilbury Group continues to grow, and in line with the increasing responsibilities growth brings, we are currently mapping how to develop appropriately **robust responsible sourcing and ethical trade approaches** which would assist us in due diligence for modern slavery risk. Some of these were described above and further developments are underway.

During 2022, the company brought in a **Sustainability and ESG Strategy Specialist** with significant experience in Modern Slavery risk assessing due diligence and remediation with similarly sized luxury and consumer brands. With this adviser, we have been exploring a **strategic framework for responsible sourcing and ethical trade** under which our efforts for due diligence on Modern Slavery would be appropriately intensified.

We plan to engage new employees, during their **induction onboarding**, by building their awareness of what Modern Slavery is, where risks may lie and the importance of all employees staying diligent.

We are considering the most appropriate **industry-leading external partners and stakeholders** to engage, listen to and collaborate with to ensure fair hiring, not only in our operations but in all our supply chains and footprints.



Update from our Executive

As a leading British luxury beauty brand which continues its global growth, we are committed to conducting our operations in a responsible and ethical manner partnering internally and externally with our suppliers and business partners of the Charlotte Tilbury Group in our commitment towards ensuring due diligence towards no slavery and human trafficking.

We are committed to building upon and strengthening our in-house capabilities in relation to ESG as a whole. Our work with our parent company, Puig S.L. in this area over the last twelve months has strengthened our breadth and depth of work on ESG and in particular in relation to carbon reporting, human rights due diligence and our ethical trade policy in general. We are committed to building a dedicated in-house ESG Team over the next twelve months and to continue reviewing our business operations and procurement procedures to ensure that risks of modern slavery are considered.

We will continue to work closely with our supply chain partners and monitor potential emerging risks and impacts in our extended supply chain.

This Statement reflects the steps Charlotte Tilbury Group has taken during the Year. Charlotte Tilbury Limited is a private limited company registered in England and Wales with registered number 12618110 it has 13 subsidiary companies in: the United Kingdom, the United States of America, Hong Kong, China, Macau, Germany, Netherlands, Canada and France. It has branches in Spain, Italy and China. For the purposes of Australia, the relevant reporting entity is Charlotte Tilbury Beauty Limited with registered number 08037372.

This Statement has been approved by the Charlotte Tilbury Limited board of directors on 27 June 2022.

Signed by:

Charlotte Tilbury
Founder, President & Chief Creative Officer

Demetra Pinsent
CEO





Modern Slavery Statement 2022

For all comments or queries in relation to this document, please contact us at legal@charlottetilbury.com