

Modern Slavery Statement 2024

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Banner¹

**Financial Year
1st January – 31st December 2023**

Banner is committed to improving the working conditions of those within our global supply chain. It is an absolute priority that we ensure we trade ethically, source our products responsibly and work to prevent human rights abuse in all its forms.

Banner does not tolerate any form of slavery, servitude, forced labour or human rights abuse against individuals within our own organisation or our supply chain overseas and in the UK. Banner fully supports the legislation of the Modern Slavery Act (2015) section 54 put in place for the prevention of modern slavery and human trafficking.

In this statement for our financial year ended 31st December 2023, we highlight key activities we have undertaken during the year, working in close collaboration with our suppliers to further strengthen our zero tolerance to any form of modern slavery.

This statement has been approved by the group board.



Bruce Freeland
Director
August 2024

Our Company and Supply Chain

Banner is the UK’s leading supplier of school uniforms and sportswear for the schoolwear market. Our purpose is to give every child the chance to shine by creating school uniforms and sportswear ranges that provide all children with an equal opportunity to develop, perform and feel good about themselves. We are proud to offer customers the broadest range of schoolwear in the market, backed up by an industry-leading service. In December 2023, Banner Ltd became a certified B Corporation, which verifies the high standards expected for social and environmental performance.

The Group has both a UK wholesale and retail operation. Our UK wholesale operation comprises Banner Ltd with headquarters in Trowbridge, Wiltshire, and William Turner & Son (Stockport) Ltd who have a UK manufacturing site in Nelson. Banner also has a satellite office in Seaham, County Durham. Our retail business operates under the trading name of F.R. Monkhouse Ltd from our northern base in Altrincham, Cheshire.

Banner Ltd and associated Group Companies at a glance

FINANCIAL	Annual Group Turnover 2023 c.£73.5 million
NUMBER OF UK EMPLOYEES	FTE 371.81
DISTRIBUTION	Wholesale - Trowbridge – 2 warehouses, 14,119 square metres, holding 4 million units Four Regional Retail DCs (Tewkesbury, Stockport, Bredbury & Paddock Wood) which can hold approx. 1.3 million units and a total of 6,427 square feet of warehouse space. 3PL Partner - Rhenus Logistics - Storage capacity up to 580,000 units
PRODUCTS DISTRIBUTED VIA	1,464 Wholesale Customers in 24 Countries (Traditional school uniform outfitters, E-commerce, online ordering for parents, In-school ‘pop-up’ shops & wholesale in-house school shops) 40 Retail Stores/School Shops/ e-commerce operation to c.1300 schools
NO. OF GARMENTS SUPPLIED IN 2023	7.8 Million garments/Units (The vast majority of these come from our wholesale supplier factories)

Our Company and Supply Chain

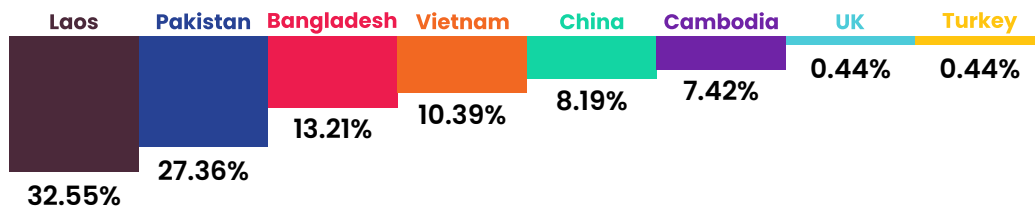
Supply Chain and Sourcing

Banner Wholesale

Banner works with 23 direct and indirect (sourced via agents) suppliers in 8 countries:

Banner Stocked Garment Production Per COO

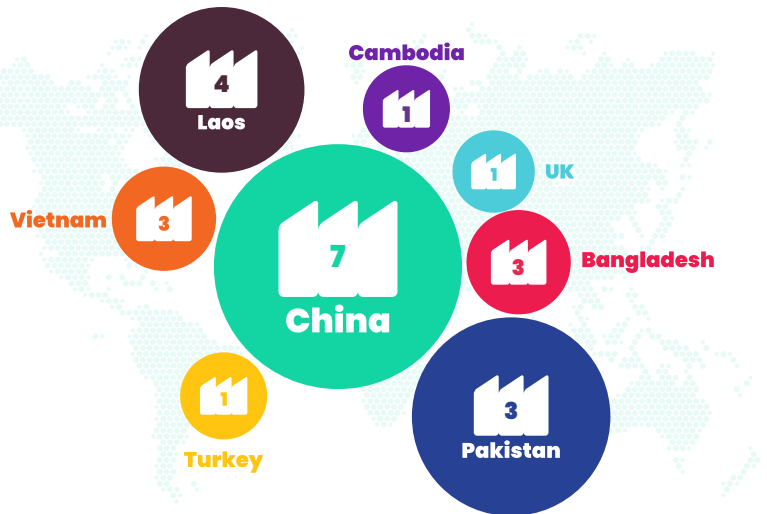
(Expressed as a % of total volume)



We only work with suppliers that share our ethical values and sustainable vision for the future and who can demonstrate compliance with local health, safety and labour laws.

All wholesale overseas supplier factories that produce our brochure stock are Sedex members (Supplier Ethical Data Exchange). Banner requires all overseas suppliers of brochure stock to meet high standards of social, ethical and environmental compliance.

They are all required to complete 4-Pillar SMETA audits which include extended business ethics and environment.



William Turner Wholesale

William Turner’s supply chain also operates to the same high ethical standards as Banner. We work with 16 suppliers in 3 countries. All are required to work towards SMETA 4-Pillar standard. Over 60% of William Turner’s products are sourced from UK suppliers and the factory at Nelson has been audited to SMETA 4-pillar standard.

Retail Supply Chain (Monkhouse)

Our multi-channel retail supply base sources over 10,000 products (uniform, sportswear, equipment and accessories) from 75 suppliers (£1,000+ spend).

All our suppliers are required to adhere to high standards of ethical and responsible sourcing including that all UK factories are fully compliant with UK employment law, national minimum wage and health and safety.

Due Diligence and Policies

We are committed to improving the working conditions of those within our global supply chain through a robust and high-quality ethical and social audit process (SMETA 4-pillar). This is a vital due diligence tool, as it ensures that our Tier 1 suppliers understand their responsibility to comply with our strict ethical standards. Information on measurement criteria can be found on [Sedex.com](https://www.sedex.com)

We also have clear policies and monitoring processes with strong supply chain management. The wholesale buying team has established long-term relationships with suppliers which is important in terms of continuity of supply, with some spanning over 30 years and the majority over 15 years. Strong supplier relations also help us to improve the transparency of our supply chain with the mutual goal of preventing and eradicating forced labour risk which is crucial. We have developed clear ethical approval and monitoring protocols managed by our buying and sustainability teams who work closely with our suppliers to monitor compliance on an ongoing basis.

Ethical Trading and Human Rights

Since 2006, we have been a member of Sedex ([Supplier Ethical Data Exchange, sedex.com](https://www.sedex.com)), one of the world's leading ethical trade service providers, working to improve ethical standards in the global supply chain. In 2019, we raised the bar in terms of our ethical sourcing standard within our global supply chain, setting SMETA 4-Pillar audits as the minimum standard for all suppliers that we work with to complete and comply with. Through this process, we have disengaged with a small number of factories that are not able to comply with our supplier code and SMETA 4-Pillar requirements.

SMETA 4-pillar audit is the highest-level set of protocols for high-quality ethical, social and environmental audit. Sedex uses the ETI (Ethical Trading Initiative) base code and local laws as its monitoring standards in its audits. ETI is an internationally recognised code of labour practice covering areas, such as working conditions, human rights, working hours, health and safety (see www.ethicaltrade.org/resources/eti-base-code) and aligns with the conventions of the International Labour Organisation (ILO) [Conventions and Recommendations \(ilo.org\)](https://www.ilo.org). These audits are delivered by independent third-party auditors.

Due Diligence and Policies

We are working closely with our Tier 1 suppliers to ensure they comply with the strict ethical, social and environmental standards of SMETA 4-Pillar audits. Below is a summary overview of the progress we have made with our Tier 1 supplier, 4-Pillar audit status by the factory in 2023:

Country of Origin	Number of Tier 1 Supplier Factories ¹	Sedex 4-Pillar OR Equivalent	WRAP Gold	Sedex 2-Pillar	Audits to be completed by end of 2024
Bangladesh	3	3			
Cambodia	1				1
China	7	6		1	
Laos	4		1		3
Pakistan	3	3			
Turkey	1	1			
UK	1	1			
Vietnam	3	3			
Totals	23	17	1	1	4

Table 1 - Tier 1 Overseas Wholesale Suppliers for Banner brochure stock in 2023.

By the end of 2023, 78% of all suppliers had completed SMETA 4-pillar audits or equivalent. Our goal is to work towards 100% of factories completing SMETA 4-pillar or equivalent audits by January 2025.

All audit reports are followed up via the Sedex platform and any areas that require improvements are highlighted within the SMETA corrective action plan report (CAPR). Our team follow up immediately with the supplier/factory to ensure that they have implemented the required improvements within a set timeframe and ask them to provide evidence of the corrective action plan. In-person visits to supplier factories in Vietnam, Laos, Cambodia and China by our Buying Director, Buyer and CEO were scheduled and completed in Q2 2024. These visits are timetabled annually. We have dedicated quality control personnel at each of our factory sites who are entrusted to ensure that our high expectations of factory facilities are maintained as well as helping to ensure compliance with modern slavery, human trafficking and abuse of workers.

Our ethical trading statement is available at www.banner.co.uk

Due Diligence and Policies

Whistleblowing

We recognise the importance of giving workers in our supply chain a voice, as part of the SMETA audit process it is a requirement that systems are in place for workers to lodge complaints either anonymously via suggestion box or with employee representatives. Also, confidential interviews take place with groups of workers during the annual audit process to ensure suppliers comply. Banner Ltd and associated Group companies have a whistleblowing policy.

Cotton Sourcing Statement

Banner acknowledges the serious concerns regarding human rights abuses and forced labour allegations in Xinjiang, China. As part of our commitment to ethical sourcing, we firmly reject any form of forced labour and human rights violations. As a business, we can confirm that we do not source cotton from Xinjiang region of China.

In September 2021 Banner became a member of Better Cotton, the largest cotton sustainability programme in the world. Better Cotton aims to transform cotton production globally and supports 2.2 million cotton farmers across 22 countries, training them in sustainable agricultural practices. Between 1st January 2023 and 31st December 2023, Banner achieved a 20.54% update of Better Cotton. We aim to source 50% of our cotton as Better Cotton by 2025. ([bettercotton.org](https://www.bettercotton.org))

Anti-Bribery and Anti-Corruption Policy

At Banner, we take a zero-tolerance approach to bribery and corruption. We refuse to have any dealings with any company or individual that requires us to make or receive any form of inducement to secure a commercial transaction and will terminate any ongoing relationships if the evidence is found to demonstrate this.

Due Diligence and Policies

Supplier Code of Conduct

Banner's Buying Director is responsible for supplier relationships and for suppliers' compliance, with Banner's Supplier Code of Conduct which covers the following areas:

- Employment conditions for workers involved with the production of our goods
- Health & Safety standards
- Wages and working hours, including adherence to a young person's working regulations
- Human Rights
- Disciplinary and employment records
- Risk Assessments
- Legal requirement
- Sewing and fabric quality standards
- Safety requirements
- Manufacturing requirements

Banner shares its Supplier Operations Manual to all suppliers. This manual sets out, in detail, the standards expected and compliance with all the requirements of suppliers. This manual also forms part of an Annual Trading Agreement that Banner Ltd. places with its suppliers annually.

Our 2023 version has been updated with a strengthened Modern Slavery section and Supplier Code of Conduct. We are continuing to work on developing a set of 'best practice' social and environmental standards with suppliers per country of origin that reaches beyond SMETA 4-pillar.

Monitoring Progress

We are tracking progress through the following mechanisms:

- Sedex online platform – review supplier SMETA audits and SAQs as they are uploaded and notified and ensure any corrective action plan reports (CAPR) are completed within set timescales.
- Monthly SER (Social, Environmental Responsibility) Governance team meetings – update on all activities and progress shared about all areas of supply chain management.
- Weekly Executive meetings with Directors and Functional and Area Heads – update on any issues and supply chain risks.
- Regular meetings and communications with suppliers.

Actions and Progress 2023/2024

Actions	In Progress	Ongoing	Completed
All overseas Tier 1 suppliers (Wholesale) are required to complete Sedex (SMETA) 4-Pillar audits or equivalent and upload them to the Sedex platform.	✓	✓	78% completed by Q4 2023. Aiming to complete remaining audits by the end of 2024.
Agree on wholesale supplier standards beyond Sedex 4-pillar to further strengthen Banner's zero-tolerance to modern slavery, human trafficking and abuse of workers.	✓	✓	Medium-term mandatory requirements have been set.
Complete a wholesale supply chain resilience review Q3 2023	✓	✓	Review completed in June 2023 and presented to Banner Board during July 2023 Board meeting.
Work with our retail supply chain to ensure the same level of accountability and transparency of business ethics, social and environment standards as we do for our wholesale supply chain. We have started to audit suppliers that supply into our retail operations and aim to complete this process in the next 6 months.	✓	✓	Sustainability audit of our retail supply base (accounting for 80% of sales) is complete. The remaining 20% will be completed by the end of 2024.

Next Steps

Over the coming year, we will be focussing on the below activity:

- Ensuring 100% of overseas suppliers have completed SMETA 4-Pillar Audits, Sedex SAQs and Banner's Sustainability Audit.
- Complete an audit of remaining retail UK manufacturing sites.
- We aim to improve the sustainability performance of our overseas supply chain. We will implement our own 'best practice' social and environmental standards above the mandatory SMETA 4-pillar audits, Sedex SAQ and Banner Sustainability audit.
- Use all the tools available to us as a Supplier/Buyer member of Sedex that can be accessed from the Sedex collaborative platform to help us monitor and mitigate risk e.g.
 - *Forced Labour Indicator Reports*
 - *Risk Assessment and Impact Assessment tools*
- Start the process of mapping Tier 2 suppliers in 2025.
- Review all policies and update our Supplier Operations Manual in 2024 to further strengthen Banner's zero-tolerance to modern slavery, human trafficking and abuse of workers. We have included a section on our social and ethical responsible trading detailing our mandatory minimum requirements concerning social and ethical compliance audits.

Training on Modern Slavery

Key members of the buying and sustainability teams build their knowledge through external training, virtual conferences and webinars. They will undertake comprehensive training in Modern Slavery, Effective Due Diligence as well as regular training on all the relevant tools on the new Sedex online collaborative platform to ensure robust supply chain management.

While we have been an ethical business since 2006, we know we have much more to do concerning Modern Slavery Governance and achieving greater transparency and traceability of our supply chain. Banner's Annual Impact Report 2023 - 'Making Progress Responsibly' for the financial year 1st January to 31st December 2023 is due to be published in August 2024. It highlights some examples of 'best practice' factories within our supply chain from Asia and the UK.

We look forward to sharing our continued progress on this journey in our next statement.



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