

Modern Slavery and Human Trafficking Statement 2021

Introduction

This statement has been published in accordance to section 54 of the Modern Slavery Act 2015. It sets out the measures undertaken by Lakeland Limited (trading as Lakeland) to prevent modern slavery and human trafficking for the financial year ending 31st December 2021.

Our organisation

Lakeland is a UK, family-owned retailer with over 50 years' experience specialising in cooking, baking, cleaning and home products. We have a reputation for providing extraordinary service alongside quality, innovative products – always putting our customers at the heart of our business. We employ around 1200 staff, most of whom are directly employed, and we recognise the invaluable contribution they make to our business.

We are a multi-channel retailer, selling our products through 65 retail stores in the UK, our website and our catalogues. We also have virtual stores in a number of third-party marketplaces and an International franchise partner in the Middle East, with a number of franchise stores in this region.

Like many retailers, 2021 saw Lakeland impacted by further national lockdowns, with our stores closed for many weeks at the start of 2021.

The coronavirus pandemic has also accelerated a shift in consumer shopping behaviour, and as a result, we've seen a significant, sustained increase in customer demand through home shopping.

Our supply chain

2021 saw further travel restrictions and ongoing difficulties with visiting suppliers and trade shows to select new products. New product selections were mostly virtual and some factory audits also had to be completed virtually due to restrictions to visitors on site.

We've continued to make further progress over the last year in mapping our existing supply chain, and continue to check all ethical information is up-to-date. We have our own Far East sourcing offices in Shanghai and Hong Kong, and their support in liaising and overseeing suppliers in the Far East has been invaluable.

We now hold factory-level information for all own-label products sourced in Asia and continue to encourage improvements in factory ethical standards. We have full visibility and regular auditing in place for all our Asian suppliers.

Should we encounter factories with poor standards, we encourage change. Where this is not possible – if a factory were to respond unsatisfactorily or refuse an audit, for example, we will not hesitate in moving products to a new facility.

We're always on the lookout for exciting, quality products that bring our customers the innovation they know and love from Lakeland. We sell a wide range of products sourced and created right here in the UK, and take great pride in working with many small businesses with new and exciting ideas, and supporting them on the journey of bringing their products to market. This includes the majority of our food range, where we enjoy a close relationship with many small artisan producers.

While we're always exploring options to source more products closer to home, continuing to search for the very best products and innovation also sees us launch products manufactured further afield and from many different countries around the globe.

Our warehousing is company-owned and based locally in Kendal. Here, we receive thousands of products each year and then distribute them to our 65 stores, third-party marketplaces, and to our franchise partner in the Middle East. We also work closely with a number of courier companies to distribute our home shopping parcels directly to our customers' homes.

Our policies

We're committed to ensuring that as a business we adopt high ethical standards. We also expect all suppliers and partners, wherever they are in the world, to do the same. We recognise it is our responsibility to ensure our suppliers are observing and adhering to our working practices, so we review and improve our policies regularly.

Lakeland company policies directly related to the identification and control of Modern Slavery include:

- New suppliers' selection, both branded and own-label
- Anti-bribery and corruption policy
- Whistle blowing policy

Due diligence

As the first point of contact with suppliers, our Buying department is responsible for ensuring compliance within the supply chain.

As part of our due diligence process, we expect new suppliers and partners to agree and sign up to our ethical declaration to ensure they meet our standards, and comply with the requirements of the Modern Slavery Act 2015. Where possible all new, directly sourced own-brand manufacturers are either visited by a member of the Lakeland team or a nominated third-party auditing body.

Lakeland undertake to investigate thoroughly and quickly any instances of non-compliance to ensure all our suppliers adhere to the Modern Slavery Act 2015.

Lakeland is a member of the SEDEX ethical collaboration platform and we actively encourage suppliers to become members of SEDEX or comparable platforms such as BSCI.

As part of supplier setup, we carry out risk assessments. These assessments review both the supplier and product type to determine if we need further information. We organise audits or obtain audit reports for those suppliers of Lakeland-branded products in high-risk countries or industries. From the audit results, the suppliers are then graded and reviewed at regular intervals.

For suppliers deemed lower risk, we clearly communicate our Modern Slavery Policy and ask for confirmation of compliance. We also ask branded suppliers to confirm they meet these standards or provide us with their own policy documentation.

We assess our main suppliers of services – with risk assessments leading us to appraise our couriers and temporary agencies to ensure they have policies and procedures in place to mitigate the risk of Modern Slavery.

We continue to monitor world events, and the reporting of the plight of the Uighur people in China resulted in a special examination of our supply chain to ensure we did not source any products from the Xinjiang region, where the Uighur people are predominantly from. We also re-evaluated audit reports to ensure questions are specifically asked around forced labour from the Uighur people. We continue to horizon scan with use of the global transparency index to establish countries of high concern.

Measuring effectiveness

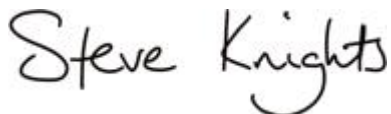
We will continue to refine our risk assessments for suppliers of products and services for compliance with Modern Slavery requirements. We have had discussion with our ethical audit provider to add a section on the forced labour of the Uighur people. We will continue to ensure our supply chain is fully mapped and audits and corrective actions carried out as appropriate. We are also in the process of developing an IT system, which will help us monitor suppliers more effectively, and once this is live we will review setting targets and measures in relation to Modern Slavery.

Training

To establish a wider awareness throughout the business we have now displayed modern slavery posters in key places and further information is available on our intranet system.

Approval

This statement has been formally approved by the board members of Lakeland Limited and signed on their behalf.

A handwritten signature in black ink that reads "Steve Knights". The signature is written in a cursive, slightly slanted style.

Steve Knights
Chief Executive