

## The PAS Group Living Wage Statement

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### Commitment to the Journey of Living Wages

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The PAS Group is committed to the journey of living wages. Living wages promote freedom from poverty and the ability for workers to have a decent standard of living.

A living wage is the income a worker earns for a standard work week (no more than 48 hours), which affords them a ‘decent’ standard of living for the worker and their family. The Anker Living Wage methodology defines a decent standard of living to be sufficient to pay for food, water, housing, and other essential needs (such as healthcare, education, transportation and clothing for themselves and their family), whilst also allowing money to be saved for unexpected events.

Suppliers to The PAS Group have signed our Ethical Sourcing Code of Conduct, which sets the expectation that all suppliers must pay at least the minimum wage. This signed commitment by our suppliers is the first step towards living wages, as it ensures that all workers are paid in line with the legal wage standards.

The PAS Group recognises that the concept of living wages is complex. It is not as simple as paying an additional percentage on each of its products, as The PAS Group does not own any of their factories and only accounts for a portion of the garments manufactured by our closely partnered suppliers. For living wages to be properly adopted across our suppliers and the industry as a whole, it requires collaboration of brands, suppliers, local/ national governments, unions and the adoption of collective bargaining agreements. Brands, governments and unions can help to offer support in raising minimum wages to be more in line with living wages; while workers can form associations to strengthen negotiations of collective bargaining agreements which may lead to improved working conditions, including remuneration.

### Road Map

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The PAS Group recognises that we play a collaborative role in transitioning from minimum wages to living wages. Over the coming year The PAS Group will undertake the following:

#### In Depth Wage Research Across Suppliers

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An in depth analysis of what is the prevailing wage (most commonly paid wage), paid by our suppliers to their workers. The PAS Group intends to assess its suppliers over the next 12 months to build a greater understanding of wage systems and wage ladders within suppliers. This research will form the foundations of a wage gap analysis.

#### Buying Practices Assessment

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The PAS Group recognises that our own buying practices can contribute to unintended pressure on suppliers. We are committed to undertaking a review of our buying practices and training our own buying teams on how their behaviour may impact our suppliers, particularly in relation to living wage over the next year.