

White Stuff®

MODERN SLAVERY STATEMENT

OCTOBER 2018

OUR COMMITMENT

At White Stuff we continue to create products that are made with integrity and finished to the highest standard. We choose good quality and ethical suppliers to work with and this is reflected in our products.

We published our first two **Modern Slavery statements** in October 2016 and 2017.

We welcomed the legislation because we recognise our responsibility towards people working in our own business and in our supply chain. Creating responsibly is a key foundation to our business.

This means that we endeavour to source, produce and sell all our products in this way.



Our Create Responsibly Strategy continues to be one of the five pillars of our brand vision. Our Code of Conduct is at the core of our strategy and it was developed using the Ethical Trading Initiative Base Code as a foundation.

Our Code specifically stipulates not only that suppliers and their subsidiaries comply with laws of their respective countries, but that forced labour must not be used. We promote the welfare and wellbeing of our communities, locally and globally, by creating connections and creating products responsibly. We have a dedicated Ethical Sourcing team who are committed to sourcing products in a way that improves the wellbeing of the people in our supply chain.

As well as developing policies and procedures to resolve incidents of modern slavery in our supply chain where we find them, we are committed to tackling the root causes of modern slavery. We acknowledge that the way that we ourselves work can have an impact on workers in our supply chain. We must therefore remain vigilant and take steps to ensure we adopt best practices and keep communication with our suppliers open and transparent. The Act has helped us to start conversations with our suppliers where we can talk about how exactly our actions can affect workers. To do so effectively, we decided to ask our suppliers to anonymously rate us. In December 2017, we joined **Better Buying**, an independent not-for-profit initiative, to help us assess our own practices and identify areas of improvement.

In January 2018, we revisited the second-tier factories that we audited in our India pilot programme in 2017 and have seen real improvements in working conditions for workers further down the supply chain. Our Ethical Sourcing team have had in-depth training on worker voice and representation, deepening their understanding of how developing effective channels of communication for workers helps engage management and can help to minimise the risk of modern slavery. This training has been reflected in the success of our Good Workplaces programme in China through collaboration with the **Ethical Trading Initiative (ETI)** and **International Labour Organisation (ILO)**.

This statement has been approved by the board of directors

Jo Jenkins – CEO, White Stuff Ltd

October 2018

OUR BUSINESS

Established in 1985 and privately owned by our original founders, White Stuff Group Limited is a UK-based multichannel fashion and lifestyle brand recognised as a leader in sociable retailing. White Stuff Group Limited includes the main UK trading company, White Stuff Limited, and White Stuff (Germany) GmbH, the German trading company.

We have 122 UK shops and 30 UK concessions, 12 international concessions and eight stand-alone shops in Germany; five concessions in Belgium; 355 UK and Ireland

wholesale accounts and 411 international wholesale accounts, in addition to our website whitestuff.com.

White Stuff employs 1938 people: 1474 in the UK across 154 Shops & Concessions; 344 employees within our Head Offices based in London & Leicester; and 120 employed within International shops in Germany and Belgium. We have 100 direct product suppliers and 400 active non-product suppliers, including recruitment agencies, logistics and shop fitting services. Our Ethical Sourcing team is based at our UK HQ in London and they work closely with our product teams and our direct suppliers, enabling them to carry out their work effectively.

OUR PRODUCT SUPPLY CHAIN

We source our branded products from first-tier suppliers across 16 countries. We have 12 long term strategic suppliers and relationships spanning over 15 years with many. This has enabled us to build a good level of trust and transparency of working conditions having carried out 135 ethical audits over the year.

Over 80% of our production is manufactured in four countries: India, China, Cambodia and Bangladesh. Our suppliers are chosen because of their skills and good ethical credentials, each having signed up to our Code of Conduct. We physically audit our clothing, accessories and footwear factories on an annual basis. We then follow up to ensure that issues are being resolved.

We have our own trained auditors, which ensures the audit information we collect is immediate and accurate. We ensure we have personally trained each auditor in our own audit methodology in line with our Code of Conduct. These auditors also audit for us across the globe and we are in regular contact with them. By employing auditors, we have a strong relationship with them so that we can fully understand the issues found and how best they can be resolved.

Our auditors also inform us of any social and political changes that may affect our workers so we can inform our buying teams. We store our supply chain information on an online platform. The platform has recently been upgraded to effectively capture our secondary tier mapping and the data from second-tier audits.

After a successful pilot last year, we have extended our audit programme in India to include our second-tier suppliers. This means that weavers, printers and dyers will be audited to White Stuff standards. We are training our first-tier suppliers' compliance teams to conduct the audits for us because we want to approach this next step in partnership. By mapping our secondary tiers, we find that we have an additional six countries in our supply chain bringing the total to 22 countries. We carefully budget each year for our ethical activities to remain effective and to show year on year improvement. As part of our membership requirements, we report annually to the Ethical Trading Initiative, who assess our work against a set of criteria.

FACTORY TIER DEFINITIONS

First Tier	Second Tier	Third Tier	Fourth Tier
Factory that supplies direct to White Stuff	Supplier of components or processes to First tier factory	Supplier of components or processes to Second tier factory	Raw material suppliers
Processes can include: Cutting Sewing Knitting Packing	Laundry Garment dye Hand embellishment Fabric Mills Fabric printers	Yarn processing Ginning Spinning Dyeing	Farmers Man-made fibre producer

OUR OWN BUSINESS POLICIES

Our internal policies are designed to educate and enable people to put our values into practice. Our own business policies relating to modern slavery are:

- the Anti Bribery and Corruption policy
- the Equal Opportunities policy
- the Whistle Blowing policy
- the Ethical Sourcing Code of Conduct

Our policies explicitly state that offences under the 'modern slavery' term are against the White Stuff ways of working as well as setting out a clear procedure for our workers to follow if they see any suspicious activity.

Our policies are continually reviewed to make sure that they are relevant. We have a Corporate Social Responsibility (CSR) committee who provide oversight on all ethical activity. The committee make sure that our existing policies remain relevant.

OUR SUPPLY CHAIN POLICIES

Our ethical sourcing policies have had a positive impact on workers improving conditions for over 60,000 workers. This year we resolved 300 labour, wage, health and safety issues in our first-tier supply base, found during our ethical audits.

The effectiveness of our policies means that we have a greater level of compliance within these factories with 96% maintaining a satisfactory ethical status year on year. In our secondary tier pilot, we collaborated successfully with our first-tier suppliers' compliance teams to implement 35 corrective actions, some of which were critical. These included health and safety issues around chemical handling, hygiene and sanitation. The pilot led us to improve working conditions for 1,200 workers of which we previously had no visibility.

We continue to work closely with our team of in-country auditors to develop new ways of detecting issues, such as modern slavery. We continue to support our suppliers in Turkey where we do unannounced audits because of the high number of refugees in the country with many seeking work in the textile supply chain.

As a responsible company, we want to ensure all workers are being treated fairly and not being discriminated against or employed against their will, in line with our Code of Conduct. We have briefed our suppliers on the importance of addressing modern slavery through face to face and Skype meetings. We have also distributed presentations for them to share in turn with their own suppliers.

We have an ongoing commitment to train our own people. This year, the Ethical Sourcing team have attended external training with the ETI on Human Rights, Due Diligence and ETI Base Code clause, Freedom of Association. In turn, they have trained a further 228 of our White Stuff employees about the Modern Slavery Act and the possibility of it being present in our business and supply chains. The training also includes what we are, and will be doing, to check and resolve any poor working conditions.

Communication is a regular feature of our 'Family Gathering' meetings at our HQ in London and our DC in Leicester. These meetings are in addition to our Brand Vision inductions for new starters and as part of our product team meetings. We share information for our teams on our internal intranet, The Tea Room. We also have accessible information about our activities on [our website](#).

As part of our involvement in Better Buying, we have enabled a safe place for our suppliers to rate us on our performance. We are looking forward to creating conversations with them and demonstrating our willingness to show improvement. Internally our Ethical Sourcing team has delivered a presentation and feedback session to 80 people who work in our product teams. Purchasing practices are an important part of our relationship with our suppliers and decisions we make can have a direct effect on the workers in our supply chain. We are collating feedback from our suppliers as well as our own staff and will be developing training.

DUE DILIGENCE, RISK ASSESSMENT & STEPS TAKEN

In our previous statements we have explained how we have carried out risk assessments across our supply chain to help us focus on areas of the world with the most salient human rights issues. This year we have applied learnings from the Human Rights Due Diligence training which has re-enforced that we have been focusing in the right areas, our clothing suppliers in China, India and Turkey.

CHINA:

We have seen real success with our Good Workplaces programme, in collaboration with the ETI and ILO's SCORE programme. We have seen an increase in worker satisfaction and the development of an effective committee where workers can raise issues with management, being rewarded for their contributions. This minimises the likelihood of modern slavery by providing a channel for remedy and potential whistleblowing as well as increasing the management's capacity to support worker issues. Please see [here](#) for further details of the programme.

We have also championed a pilot and are ready to offer training to more of our suppliers in the Guangdong Province on the Collective Consultation Regulation. This allows workers to organise themselves and enables them to have equal and open discussions with the factory management. We carefully structured our methodology and training

materials to ensure a level of comprehension appropriate for the workers that we directly trained. This pilot in the Guangdong Province showed us that workers are keen to learn about their rights.

INDIA:

By providing training with first-tier suppliers and involving them in the audit process of their own suppliers (our secondary tiers), we have seen significant and credible improvement in working conditions for workers. We have also applied learnings from the Freedom of Association training and are starting to engage worker representatives in the opening and closing meetings of our ethical audits. The success of this pilot will see us move forward with further, more detailed training over the next year.

TURKEY:

We engaged all our Turkish suppliers in 2017 to give them training on modern slavery and the real risks in factories where refugees will have found work. We followed up with Skype meetings this year where we discussed how we could help them check the conditions in their suppliers' factories. We have discussed a collaborative engagement with our suppliers where we apply the approach and lessons learnt from the successful India pilot. This could mean that we provide training to our direct suppliers' compliance teams to examine conditions further down the supply chain. We will be further sharing the learnings from the pilot in India to see how we can move forward.

OUR FUTURE FOCUS:

We set ourselves a set of KPIs in our 2016 statement and recently reviewed them to see if they were fit for purpose. Going forward, we plan to report on:

- the number of secondary tier suppliers that we have successfully mapped
- the number countries where we have visibility of manufacturing in our supply chain
- the number of audits conducted at our secondary tier suppliers
- the number of suppliers' compliance team trained in White Stuff audit methodology
- the number of workers who, because of our recommendations have improved conditions
- incidents of modern slavery detected
- changes in, and improved practices, based on our Better Buying results

MODERN SLAVERY STATEMENT

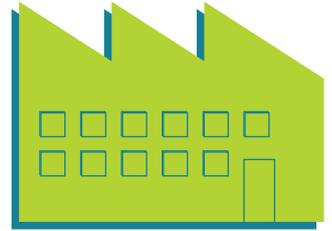
KEY ACTIONS COMPLETED



We have put into practice positive actions from external training on Due Diligence, Human Rights and Freedom of Association. This ensures we focus on areas of our supply chain with the highest risk.



We successfully concluded our secondary tier pilot in India and validated significant improvements in working conditions for workers further down the supply chain.



We are listening to our suppliers and the workers in our supply chain. By engaging with Better Buying we will be able to review our own practices to ensure we ourselves are continually improving.