



**MODERN SLAVERY ACT STATEMENT**

April 2016- March 2017

**Introduction**

As part of our continued Corporate Social Responsibility commitment, we fully support the transparency in supply chains provision (Section 54) of the Modern Slavery Act focusing on the prevention of modern slavery and human trafficking.

**What is Modern Slavery?**

Modern slavery is a term used to encompass slavery, forced and compulsory labour and human trafficking. Modern slavery exists in both developing and developed countries, including the UK, and can involve UK citizens as well as foreign nationals.

Modern Slavery is an overarching term. It is complex, evolving and hidden.

- **Human trafficking** - Is the process of bringing a person into a situation of exploitation.
- **Forced and compulsory labour** - All work or service which is not voluntary and is exacted under the menace of a penalty.
- **Bonded labour** - Results when workers borrow money to pay fees to recruiters or labour brokers to get their job and then have to spend most of their wages to pay off that debt. Workers are unable to quit despite unfair or illegal conditions because of their debts.
- **Slavery** - A situation where a person exercises (perceived) power of ownership over another person.

**Our Statement**

The following statement outlines what The White Company is currently doing, and planning to tackle, around this difficult issue within our supply chain and the business. We acknowledge this is a long term issue with no rapid solutions. We understand our customers trust us in delivering our commitment to being a responsible business. At The White Company there is a deep understanding and belief that we must rise to meet any new challenges.

We look forward to sharing our progress later in 2018.

This statement has been approved by the board of directors.

Mary Homer

CEO, The White Company

January 2018



## Our Story

The White Company is a British brand, which began in 1994 as a simple 12-page mail-order brochure . What started as a range of white essentials for the linen cupboard, has gradually grown into the ultimate luxury lifestyle destination for your home, wardrobe and little ones. It is now a multi channel brand, with over 50 stores in the UK, dedicated website and brochure. Recently the brand has just opened our first stores in the US.

Our head office is based in London and we employ over 1500 staff across our office, stores and distribution centre. We currently do not have any overseas offices.

## Corporate Social Responsibility at The White Company

At The White Company, we have a dedicated CSR team based in our London head office. Since 2012, we have been members of the Ethical Trading Initiative. Since then, we have been developing our approach and working with both the ETI and other members to make improvements in the supply chains we source from.

We have a Code of Conduct policy that is based on the ETI basecode which includes forced labour.

As part of our ETI membership, we report annually on our ethical trade related initiatives to the ETI. These are measured against their principles of implementation and our progress is reviewed by ETI staff and an NGO member. Since joining the ETI, our report has been reviewed by the NGO Home Workers Worldwide.

*“The White Company are active members of the ETI family and we value the contributions and inputs that The White Company have made in regards to our work in Turkey and on Modern Slavery. The White Company staff have attended ETI training and made active and valuable contributions.”*

**ETHICAL TRADING INITIATIVE | ANNUAL REPORT FEEDBACK | January 2017**

## Our Supply Chain

We source The White Company designed products from the following primary and secondary countries (number of factories in brackets): China (105), India (36), Portugal (32), UK (30), Turkey (12), Italy (7), Thailand (6), Vietnam (6), and Poland (5). We also source from other countries such as Denmark, Spain and Romania but with a smaller number of factories.

Our core sourcing countries are China, Portugal, Turkey, United Kingdom and India, which combined account for over 75% of our production.

We work with 4 sourcing agents, 165 suppliers, across 259 factories. This is where the main parts of production happen for creating our products. However this is only the start, as it is common for suppliers to outsource parts of production to other suppliers/units that specialize in certain skills. This can pose a risk. Because of this, we place emphasis on understanding the extent of our supply chain, when assessing modern slavery and any other human right risks.

We have identified 42 outsourcing units for primary parts of the production process e.g. sewing. We are also aware that unauthorized outsourcing can be a real risk in any supply chain. We drive for transparency with our suppliers by encouraging trust to try and avoid this.

Alongside this we recognize the importance of homeworkers and have mapped major sources of home working. See <http://www.thewhitecompany.com/help/ethics/> for more information on our home working position and code of conduct. Understanding our supply chain is an important and gradual process.

## Due Diligence

We aim to work collaboratively with suppliers to increase our understanding and find solutions together. Our due diligence approach is made up of six key elements:

- Risk assessment
- Supply chain mapping
- Monitoring
- Engage workers directly
- Training
- Collaboration

Moving forward we plan to benchmark ourselves against ETI Human Rights Due Diligence framework so we can identify ways to incorporate this into our approach. We see this as an important model and benchmark for businesses. We also have a supplier on boarding process that enables us to assess suppliers against the ETI base code before working with them. We acknowledge there is always opportunity for improvement with due diligence.

## Risk Assessment

We prioritize our work through risk assessment.

We acknowledge it is neither feasible nor practical to assess every risk in our supply chain at the same time. With this in mind, we follow the UNGP's on Human Rights and try to understand where our most salient risks are and where we can have the greatest impact.

Using this approach we will be able to target the potentially most vulnerable groups relevant to our supply chain and business.

In relation to modern slavery, we start with reviewing risks by country. Once we have a good understanding at a country level we incorporate industry risk assessment to understand if specific industries are higher risk for modern slavery. Combining the country and industry risk assessments together, gives us a platform to develop the risk assessment specifically to our supply chain. This allows us to target specific suppliers who fall into higher risk categories. For instance if a supplier is in a high risk country and high risk industry then they would be prioritised over lower risk suppliers.

After targeting specific suppliers we attempt to identify risks to workers by sector, nature of work, type of worker and recruitment processes. For example, we specifically try to understand the workforce population (permanent versus temporary staff), what nationalities workers are and if any recruitment agencies are used. From analysing this data we are then able to rank risks and identify priority targets based on risks to workers.

We use our existing internal knowledge, various tools and speak to industry experts to help us understand risks. Below is an example of key public independent tools that we have used to build our risk assessment:

- Trafficking in Persons Report (TIP) US State Dept. 2016
- Verité
- List of Goods produced by Forced and Child labour US State Dept.2016
- Walkfree.org

Following the above process we have reviewed risk in relation to priorities and our initial focus will be on The White Company product manufacturing and business at our distribution centre.

## Supply chain map

We acknowledge that the risk of modern slavery is often greater further down product supply chains. Over the years we have been working with suppliers to attempt to collect as much detail about production as possible. This includes any production processes that may be outsourced. For instance sewing, ironing and printing.

Supply chains can be very complex, fluid and informal. We have found that it is no easy task when mapping supply chains but it is an important challenge for the business that we are embracing. We have primarily focused on major outsourced processes such as sewing and piloted further mapping with strategic suppliers e.g. fabric processors. Gathering this level of information allows to greater understand our supply chain and work with suppliers to identify risks.

From gathering this information, we have been able to build a supply chain map. We plan to map further in the future based on a gradual approach in strategic areas of the business. We believe this will allow us to have the greatest impact when assessing and preventing the risk of modern slavery and other important human right issues.

## Monitoring

Ongoing monitoring is an important part of any due diligence process.

Audits are an important tool in a monitoring process as they are the most common framework in the industry. Audits must cover the ETI basecode and local law requirements. However audits can have limitations and cannot be fully relied on as the final solution, especially in regards to modern slavery as this can be very difficult to uncover. To enhance our approach and tackle some of these limitations we have been gradually moving suppliers to semi announced audits and reviewing audit criteria.

We are fully prepared and have undertaken unannounced audits in our supply chain where necessary due to risks and concerns. Alongside this we have been exploring ways to go beyond auditing. See below examples.

## Engage workers directly

We believe in the importance of direct engagement with workers in our supply chain. Over the year we have piloted new approaches in our targeted site visits to increase our direct worker engagement.

Through worker focus groups in relation to modern slavery, we try to understand how workers found work at the factory and how long they have worked there. We understand there are certain risks to consider when conducting worker focus groups such as workers being trained to give answers. We try to combat this by having multiple groups of randomly selected workers and phrasing questions differently. Overall we see worker focus groups as one of the most effective methods of achieving direct engagement with workers in our supply chain and a way of spotting potential modern slavery indicators. We have piloted worker focus groups in 4 countries, with over 15 suppliers, reaching over c200 workers.

Worker surveys can be an effective tool in measuring worker's opinions and working conditions as they allow us to gain a large anonymous sample. This year we piloted worker surveys to include key modern slavery indicator questions such as 'Who currently has possession of your passport/I.D documents?' Questions included multiple choice answers and the survey was translated into local language. We also discussed literacy levels in advance with suppliers to assess suitability. We acknowledge there can be limitations to worker surveys but believe they can be an important tool when directly engaging with workers who make our products on a larger scale. We have piloted worker surveys in 4 countries, with over 15 suppliers, reaching over c1, 000 workers. We plan to share the results with Anti Slavery International over the coming year and see how we can enhance this method to get the most valuable data. This includes exploring technology based options.

## Training and Raising Awareness

We acknowledge training and raising awareness is vital in an effective due diligence approach.

Internally we have attended the ETI Modern Slavery Training and various conferences on the subject.

Over the year externally, we have identified important training targets, designed and delivered specific modern slavery training.

Contents of the training included:

- UK examples
- ETI Basecode
- Key principles of best practice
- Potential areas of risk and effective due diligence
- Spotting indicators
- Practical steps suppliers can take to avoid modern slavery

### Modern Slavery Supplier Training April 2016-March 2017

Country	No. of sites engaged
Turkey (Completed in UK by ASI)	10 Suppliers (Inc. 3 major suppliers)
Italy	1 Major Supplier 4 Subcontractors
Portugal	3 Suppliers (Inc. 1 major supplier)

The White Company Turkish suppliers attending modern slavery in the UK November 2016. Training was designed and provided by specialist NGO Anti Slavery International.



### Italy- Promoting conditions down the supply chain

We recognize it is important to consider further down the supply chain and this year focused on a key supplier in Italy where the sewing process is outsourced from the factory to smaller units (commonly known as subcontractors) for their expertise. We wanted to promote best practice and attempted to achieve this through two key activities.

#### Subcontractor roundtable

We held our first ever subcontractor roundtable in Italy during March 2017. The purpose of this roundtable was to establish an open forum for a targeted section of our supply chain where we assessed awareness was low and support needed. We had previously tried third party assessments but felt a more engagement lead process would be better to support the smaller units. The roundtable focused on the ETI basecode, H&S and modern slavery.

#### Subcontractor visits

Alongside the roundtable we also continued to visit subcontractor units to understand their specific context. These units are often much smaller than factories, so it is important for us to understand what processes are best suited for units of this size and how we can offer tailored support. We also engaged with workers to understand their conditions and monitor any risks for modern slavery.

## Collaboration and Working with Others

We recognise it is important to collaborate with others. Organisations cannot achieve their goals alone. Only by working with like-minded others, we can achieve greater scale, innovation, reform and impact.

### **Hult research in partnership with the ethical trading initiative**

Last year we participated in the partnership study between the Ethical Trading Initiative and Hult International Business School. The research focused on the role of corporate leadership in addressing modern slavery, and highlights examples of what companies are doing, what they are learning, and what they regard as leadership in addressing this problem in complex global supply chains.

The White Company were interviewed and believe industry wide research is important in raising awareness.

A copy of the report can be found here:

<https://www.ashridge.org.uk/getmedia/7692d06f-0166-45cf-affb-e1c9ee45ad1c/Corporate-Leadership-on-Modern-Slavery-Summary-Report-2016.pdf>

### Who are we collaborating with?



### Why are we collaborating with them?

We are full members of **ETI** and have attended their specialist Modern Slavery training. We seek their guidance and participate in working groups.

**Anti Slavery**-Specialist modern slavery NGO and key contributor to ETI Human Rights Due Diligence Framework. They will be the strategic partner to The White Company on our modern slavery strategy through providing critical guidance and training/due diligence services.

We attempt to work with other **brands** to share experiences, support suppliers and identify collaborative projects. This includes inviting brands to attend supplier trainings.

We seek to work with **suppliers** in an open partnership. A key focus has been to raise their awareness of modern slavery and create a safe space to discuss the difficult topic.

We work with employment agency **Siamo Group**. See Our Business section for full details on our collaboration.

## Our Supply Chain in focus- Turkey

We have identified Turkey as a key risk country to focus our efforts on. Over the year we have been involved in a number of activities in this sector in our supply chain.

### ETI tripartite Turkey Business and Human Rights programme

We were among some of the earliest brands to sign up and commit funding to the ETI tripartite Turkey Business and Human Rights programme that is being jointly funded by the UK Foreign and Commonwealth office. We believe by only working with others, we can achieve greater scale and impact. This is why it is vital to collaborate with other brands, NGO's and Trade Unions when addressing human rights issues and creating long term improvement in working conditions.

So far, our suppliers and factories in Turkey have taken part in tripartite working forums in Istanbul and Izmir to raise supplier's awareness, and gain their support in tackling industry wide challenges. It is important all parties are included in the process and that any solutions are worked on together in partnership taking specific context into account.

We also volunteered our suppliers to participate in the Verite field research that is being conducted as part of the programme. We will also be nominating suppliers for training as part of the programme.

<https://www.ethicaltrade.org/programmes/syrian-refugees-working-in-turkeys-garment-sector>

### Turkey Supplier Summit

In November 2016 we held a Turkey Supplier Summit at our London head office where we invited all our Turkish suppliers to a three day event, focused on sharing best practice and maintaining stable business partnerships. During the summit we had one day completely dedicated to ethical trade. This included a workshop which covered key subjects such as the ETI Basecode and subcontractor management.

We also produced a Syria refugee toolkit and consulted with suppliers to raise awareness.

### Stakeholder Collaboration

As part of the supplier summit we launched our first ever collaborative project with an NGO. We worked with Anti Slavery International (ASI) to provide a tailor made workshop on modern slavery in the Turkey context. This covered topics such as: what is modern slavery, how to identify slavery and due diligence. Throughout the workshops suppliers were encouraged to share experiences, provided with practical steps and given the opportunity to raise any challenges directly with the CSR team.

#### Raising Awareness

Suppliers rated their awareness of modern slavery due diligence after the training and we were pleased to see a positive impact.

*Supplier Awareness Level- Modern Slavery Due Diligence*

OK	GOOD	VERY GOOD	EXCELLENT
25%	50%	13%	12%

We invited a selection of fellow ETI member brands to the ASI workshop with the aim of opening better dialogue, demonstrating an industry wide approach and enabling greater transparency. As part of this process we worked with ETI to see where we shared suppliers and factories to increase our leverage.

Furthering this approach, we are currently exploring opportunities with fellow ETI member brands focusing on engaging specialist expertise on the ground to support more in depth assessment. We also plan to engage ASI on further training opportunities with phase two planned for December 2017.

*"The workshop was very useful for a brand of our size, as we rely on brand's collaboration to drive change in our supply chain. The contribution given by Anti Slavery.org to the workshop was also insightful, and the workshop materials circulated were tailored to the appropriate audience. A lot was learned during the facilitated workshop and sharing ideas and solutions with other peers was invaluable."*

**ETI MEMBER BRAND | WORKSHOP FEEDBACK | June 2017**

## Our Business

We have identified our distribution centre as the priority area where we have greatest responsibility and influence to start addressing the risk and prevention of modern slavery in our business.

Our distribution centre is based in Northampton. We employ 180 permanent staff members. 57% of permanent staff are female and the top nationalities are Polish, British and Lithuanian. Due to the nature of our distribution operation, we employ temporary staff to support peaks in workload at our distribution centre. We work with one agency in an open partnership– Siamo Group – to provide us with extra staff at these times.

### Working with Siamo Group\*

Siamo Group are licensed labour providers under the Gangmaster Licensing Act 2004, are members of the Association of Labour Providers and have signed up to the principles of Stronger Together, a multi-stakeholder initiative that is aiming to reduce modern slavery: <http://stronger2gether.org/>

Siamo Group’s modern slavery statement is available here: <http://www.siamogroup.com/doc/slavery-and-human-trafficking-statement.pdf>

Siamo Group’s Stronger Together information is available here: <http://stronger2gether.org/business-partners/?id=371> (\*Templine Employment Agency Ltd is trading as Siamo Recruitment as of 9<sup>th</sup> April, 2018).

This year we have engaged our recruitment agency Siamo Group (see more details above) on the subject of modern slavery. This included a baseline assessment in line with Stronger Together’s best practice indicators to help us gain a better understanding of their policies and procedures. At the same time we shared our planned approach with Siamo Group as they will be an important partner in preventing modern slavery.

We will work with Siamo Group to gain a thorough understanding of our temporary workforce population and identify potential vulnerable workers.

### Collaborating with Anti Slavery International

Addressing modern slavery and human right risks in our business requires targeted work to help us understand the issues and find relevant solutions. We believe that stakeholder collaboration is vital in this process and have approached specialist NGO Anti Slavery.

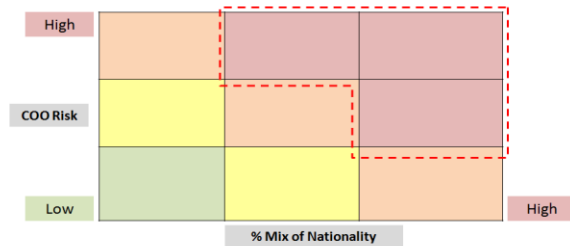
Anti Slavery will be our strategic NGO partner and will provide support with critical guidance, training and worker engagement.

*“Anti-Slavery recognises the complexities associated with establishing ethical supply chains and business operations. In engaging Anti-Slavery international as “critical friend” the White Company demonstrates its openness to acknowledge and tackle these challenges, and shows leadership on the journey to improving standards for workers”.* **ANTI SLAVERY INTERNATIONAL | January 2018**



## Prioritizing vulnerable workers at our Distribution Centre

Some workers can be more vulnerable to exploitation than others. We are committed to identifying vulnerable workers and engaging with them to respect their human rights and drive any improvements. When identifying risks to workers we attempt to factor gender, type of worker, employment relationships and nationality dynamics. We prioritize our work through risk assessment by looking at host country risk, against our distribution centre's workforce nationality population.



### What does risk assessment look like?

We use external resources and guidance to create a risk matrix. This helps us identify potentially the most vulnerable workers. For our distribution centre we considered country risk against the percentage of nationalities. For example, if Romania has a high country risk score and if the majority of our temporary workers are Romanian, these two factors would place this nationality in the high risk section and a group we would want to focus our efforts.

Through this process we have engaged with Anti Slavery to gain a better understanding of risk countries to prioritise. Alongside this we have considered National Crime Agency (NCA) statistics, in particular those specific to the region. Though they can be a useful insight, we acknowledge that these statistics can be limited due the complexity of identifying modern slavery and the reality that unreported cases are likely to be higher. This is why it was so important for us to speak with a specialist NGO.

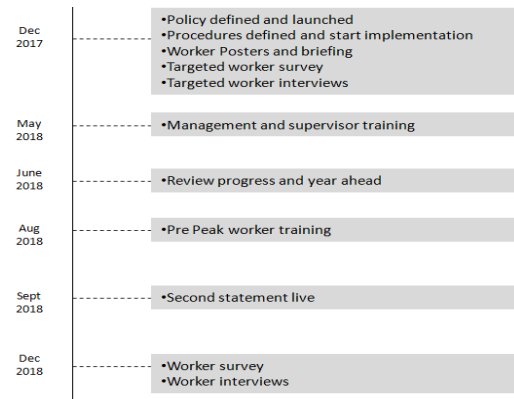
Using this approach we will be able to target the potentially most vulnerable groups relevant in our distribution centre with temporary workers the key priority.

## Distribution Centre Commitments 2017-2018

### Defining a roadmap

We have defined an initial roadmap with Anti Slavery that has clear commitments to prevent the risk of modern slavery at our distribution centre. This includes worker interviews and dedicated training.

We will review at the end of 2018 to identify any improvements and look to establish standard procedures such as training.



## Our Business Further Steps

We acknowledge that it is important to map our wider services and this is a priority for the business looking ahead. We plan to collaborate with other brands to perform a combined services map to gain a better understanding of our business. Taking a risk based approach we will target our next priority area.

Alongside this we will be continuing to engage with Anti Slavery International and Siamo Group as key partners to review our annual monitoring procedures and progress of our strategy.

## Key Actions So far

### **Engaging With Workers**

*We have piloted worker feedback methods such as focus groups and surveys during site visits to engage workers directly to better understand their conditions and any risks of slavery.*

### **Strategic NGO Partnership**

*We have partnered with specialist NGO Anti Slavery International to increase our understanding, provide training and plot a long term partnership aimed at preventing and mitigating the risk of modern slavery.*

### **Defining Roadmaps**

*We have defined a roadmap in a priority area of our business to understand and mitigate the risk of modern slavery at our distribution centre.*

## Key Actions Looking Ahead

### **Further Mapping**

*Build on our supply chain mapping to increase our understanding of the extent of our supply chain and any risks.*

*We will also review our next strategic priorities for our business.*

### **Raising Awareness**

*Continue our partnership and commitment to raise awareness with Anti Slavery by providing more in depth training for Turkish suppliers.*

### **Targeted Due Diligence**

*Understand conditions for potentially vulnerable temporary workers at our distribution centre through targeted worker interviews with Anti Slavery.*

## Glossary

**UNGP-** The Guiding Principles (UNGP) seek to provide an authoritative global standard for preventing and addressing the risk of adverse human rights impacts linked to business activity.

**NGO-** A non-governmental organization (NGO) is a non-profit, voluntary citizens' group which is organized on a local, national or international level. NGOs perform a variety of service and humanitarian functions.

**Outsourcing-** Outsourcing involves suppliers subcontracting parts of production (steps in the manufacturing processes e.g. sewing) to other suppliers or contractors that specialize in those activities. The White Company requires suppliers to declare any subcontractors for approval.

**Beyond Auditing-** Innovative supply chain monitoring, capacity building or worker engagement programmes to help support positive impact or continuous improvement within supply chains.