

### Introduction

The Group has clear policies and procedures in line with best industry practice and are underpinned by our values and principles. These demonstrate our continual commitment to do what we can to eradicate this type of human rights abuse. Our approach to modern day slavery is overseen by Audit, Risk and Compliance as part of governance strategy.

Throughout the year the Group has continued to benefit from close, well established and stable trading relationships with 1<sup>st</sup> tier suppliers in both our furniture and flooring product offering, following on from our exit of House of Fraser, our supply chain has become fewer allowing the Group to exercise greater oversight and to further mitigate risk. We also sell dining and occasional furniture which we source from a small number of well-established and highly regarded wholesalers.

### Risk Assessment

Goods are principally manufactured in the UK, however around a third of goods are manufactured in Europe and the Far-East. The Group risk assesses its supply chain by:

- Assessing the risk profile of individual countries based on the Global Slavery Index together with the inherent profile risk associated with the manufacturing of the goods in that territory.
- Analysing the insights and expertise of specialist third parties.
- Reviewing the extent to which types of employees may be more vulnerable than others due to cultural, economic or demographical reasons

The Group maintains, stable and long standing working relationships with its key suppliers based in the Far-East. The manufacturing of all goods in the Far-East are completed in modern purpose built factories. Given the size and nature of the goods, the level of risk is considerably lower when compared to other types of manufacturing activities in the region. In addition, the Group operates a Whistleblowing Policy which allows the reporting of any wrongdoing and extends to human rights violations like Modern Slavery. Any reporting will be fully investigated and appropriate remedial actions taken.

### Action Completed

All our 1<sup>st</sup> tier suppliers have conducted modern slavery risk assessments and have commissioned or provided independent ethical audits within their own manufacturing processes to ensure alignment to local laws; standards set out by the International Labour Organisation and our internal policies and standards, which include:

- Clear obligations on suppliers to comply and implement controls to prevent Modern Slavery.
- Ensuring all employment shall be voluntary.
- Provision of an employment contract confirming the employee's right to leave work and the ability to terminate employment upon expiry of reasonable notice.

### Next Steps

Over the next 12 months we will:

- Increase the scope of audits to key second tier suppliers within the group, to increase oversight and detect risk of modern day slavery
- Complete training with our buying teams to raise awareness of the risk of slavery.
- Where applicable, we will also review our supplier's Modern Slavery statements to ensure they align with our values

### Assessment of Effectiveness

The Group recognises that its commitment to tackling modern slavery is a continual journey and we will continue to assess the effectiveness of our approach through our already established reputational risk committee. We will continue to improve communication on this topic with our supply chain as by working together, not only with our suppliers but also with other companies, we will be far more effective in meeting our common goal of eradicating Modern Slavery.

 David Knight, CEO