

## ScS – Statement on the Modern Slavery Act- Updated March 2020

### Introduction

The company 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 modern slavery. Our approach to modern day slavery is overseen by Audit, Risk and Compliance as part of governance strategy.

Throughout the year the company 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. We also sell dining and occasional furniture which we source from a small number of well-established and highly regarded wholesalers.

### Risk Assessment

Around half of our goods are manufactured in the UK and around half in the Far-East, a small portion are manufactured in Europe. The company 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 such as SEDEX and associated audits.

The company maintains, stable and long standing working relationships with its 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 to modern slavery is considerably lower when compared to other types of manufacturing activities in the region, for example fashion retailing. In addition, the company 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.

### Ongoing Action

As part of our terms of business with suppliers they must demonstrate they are using ethical 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 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.

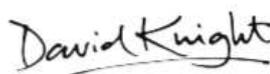
### Next Steps

Over the next 12 months we will:

- Review our current SEDEX membership platform and consider additional reporting and monitoring measures
- Review modern slavery assessments within our supply chain to increase oversight and detect risk of modern slavery and where necessary, increase the scope of audits to higher risk suppliers.
- Continue training with our teams to raise awareness of the risk of slavery.

### Assessment of Effectiveness

The company 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 risk framework. 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