

THE WHITE COMPANY
LONDON

Mindfully Sourced

2023



Our Mission Statement

‘To be the global destination for effortless, stylish living.’

We’re obsessed with our products and the stories behind them – carefully curating beautiful, useful pieces for you, your home and your family.

Mindful consumption is at the heart of what we stand for – buying better and buying less. Timeless, long-lasting and responsible products designed for today, tomorrow, forever. We are committed to building a sustainable legacy that will enable a brighter future for people and our planet.

The White Company’s CSR Pillars & Focus

Preserving our precious planet

Sourcing mindfully

Tackling the packaging monster

Leveraging for longer life

Changing behaviours

Our Commitment to Mindfully Sourced Product

Our commitment to mindfully sourced product begins with the workers producing our goods. We have been a member of the Ethical Trading Initiative (ETI) for over a decade and have adopted the **ETI Base Code** in full – its code of conduct based on standards set by the International Labour Organisation (ILO).

The ETI is an alliance of companies, trade unions and NGOs that promotes respect for workers' rights around the world. As members, we work with the ETI to improve workers' rights by implementing the Base Code across our supply chain.

The Base Code applies to all our supplier partners and factories, including subcontractors, home workers and packers, as well as the extended supply chain of our products.

As a minimum, all factories, including subcontractors, home workers and packers producing for The White Company, must comply with and be able to demonstrate compliance with the ETI Base Code. It is an important responsibility of suppliers to make sure the Base Code is fully communicated down their own supply chain.

Our supplier partners agree to our **Code of Conduct**, which includes the ETI Base Code as well as our expectations regarding workers' rights and a transparent and visible supply chain and relationship.

Collaborations

Our ETI membership allows us to collaborate with our peers in the industry, global trade unions and NGOs to improve the working conditions in our supply chains as an industry.

We understand that we can't improve workers' rights on our own and that collaboration within the industry is key to our progress.

In addition to the ETI, we are also members of a UK retail small/medium brands working group, focusing our attention on the changes and challenges we face in our work.

We have always worked with NGOs and continue to attend key roundtable events in association with both Anti-Slavery Int. and Action Aid.

We believe in supporting change and are signatories of the **MHREDD** law joint statement sent to the UK Prime Minister.

Our suppliers are our key collaborators and we work in partnership with them to develop our products and to manage their supply chains. We invite our key supplier partners to an annual conference, where we get to work collaboratively on key issues. Our top 20 suppliers, which deliver 80% of our business, are also scored annually across various areas: Profit, Product, QA Testing, Quality, Delivery, Communication, Ethical and Environmental. Those suppliers scoring low on Ethical or Environmental receive a SWOT analysis and action plan to address the issues. We encourage our suppliers to be constantly improving.



Governance Structure

Our Ethics Team has grown this year, and now includes a Head of Ethics & Sustainability as well as an Ethics & Sustainability Admin Assistant joining the Ethics & Sustainability Manager. This growth has allowed us to implement new processes, including a Remediation Process.

The team now has three full-time employees; the Admin Assistant reviews all audits across our supply chain and we have implemented a grading process for all factories. These gradings are Minor, Major, Critical and Zero Tolerance.

On the occasion that a factory is graded as Critical, we engage with the supplier to communicate the issues that urgently need addressing. A remediation timeline is put in place; depending on the issues found, these timelines span from three months to 12 months.

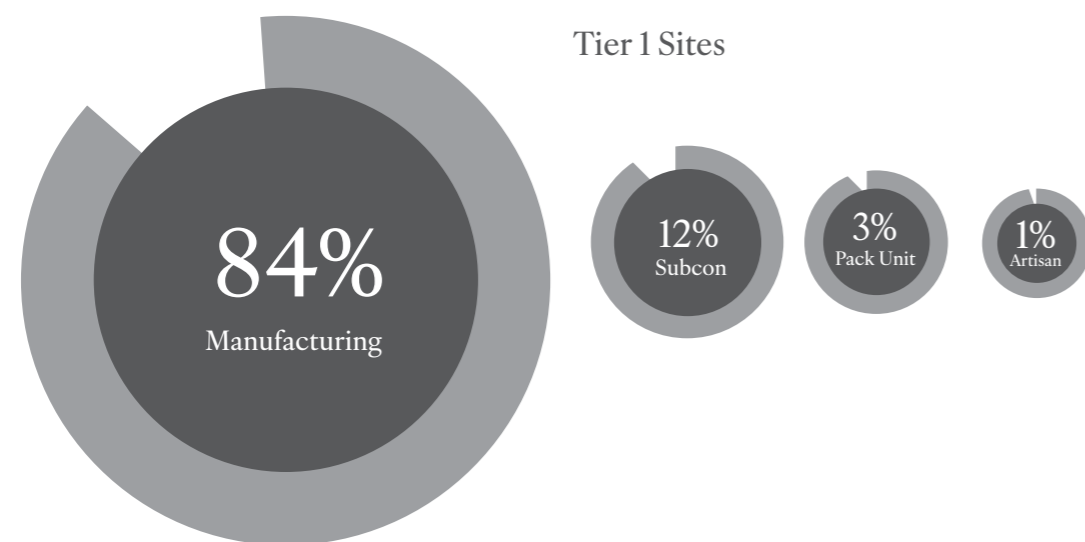
The commercial team is included in the Remediation Process for support, and if the supplier fails to engage and address the critical issues, the Head of the department is notified for further support.

Failure to remediate beyond this point means the issues are discussed with the of the department, meaning the Board is informed, including the CEO.

On the rare occasion that the supplier doesn't engage or remediate the issues, we move to the Responsible Exit Process.

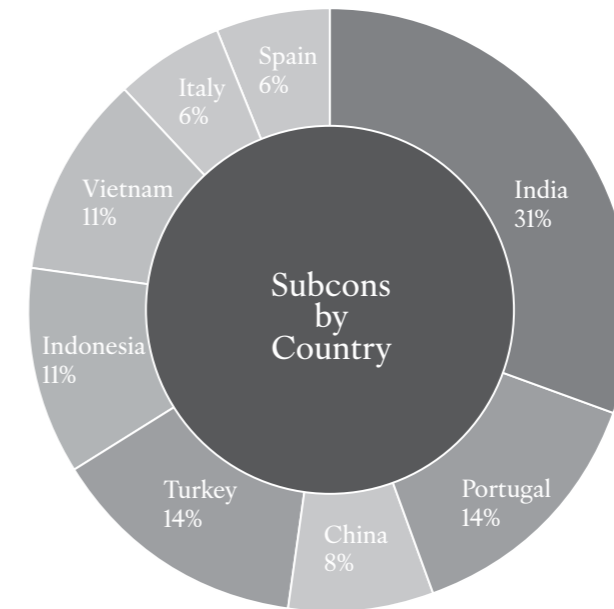
Supply Chain Breakdown

The White Company offers thousands of products from around **290 factories**, which creates a complex supply chain, so we do not have a 'one size fits all' approach to assessing factories. We understand these complexities and encourage the use of artisans, subcontractors and home workers in the making of our unique products.



Most of our Tier 1 sites fall into the 'standard' manufacturing unit or factory, and there are also smaller, artisan-size units that are chosen for their craft skills. Due to the size of these units, we do not expect them to invest in third-party annual audits, but instead request an annual ethical self-assessment covering all areas of the ETI Base Code.

There are some countries that rely on supporting units to manufacture our product and use subcontractors. These units are also counted as Tier 1 sites as they manufacture or assemble our final product. We work with 36 currently. These sites, depending on their size, will have a third-party audit or will complete the annual ethical self-assessment.



Across our diverse home products, we also rely on the unique craft skills of home workers – these are workers that have the flexibility to work from home, usually due to other domestic obligations. We currently work with 34 home-worker groups – an increase of 10 since last year. These skills include batik, seagrass weaving, metal work and hand embroidery. We have developed a home worker assessment for these workers, which is a pared-down version of an ethical self-assessment. This covers H&S, wages and child labour. It is also carried out and reviewed every year.

Home Workers	Number of Units	Approx. Number of Workers	Product Range
Vietnam	21	1120	Bedding Hand embroidery Basket weaving
India	4	40	Placemat beading Apparel Hand embroidery
Indonesia	9	48	Furniture weaving Textile batik Ceramics Wooden bowls
TOTAL	34	1208	

The White Company's Policy on Home Working

The White Company is committed to improving working standards in its supply chains through the application of international labour standards. This includes a commitment to improving standards in those parts of the supply chain that are the most difficult to reach.

Historically, the lack of visibility of home workers in supply chains makes them a vulnerable group of workers. We take an open and positive position towards home working.

Our Position

Acceptance of Home Working

The White Company believes that skilled home workers are important to the hand-crafted, quality nature of many products. Often, home workers produce specialist components which cannot be made by machinery, or they can produce small quantities of intricate or high-quality items.

From the home worker's perspective, the option to work from home can offer a degree of flexibility not met by traditional site-based work. Home workers frequently cite the advantages off-site working offers in enabling paid work to be balanced with domestic and family responsibilities.

Our Home Worker Commitment

We acknowledge that improving labour conditions for home workers is a complex issue. Under this home worker policy, we commit:

- To communicate our position on home working throughout our company and to those who supply to us
- To ensure that the presence of home workers in the supply chain will not lead to the relocation of work or cancellation of orders
- To work with our suppliers for the sustainable improvement of labour conditions with home workers in our supply chains. We will aim to do this by following the guidance set out in the ETI home worker guidelines

Our Suppliers' Commitments

We expect the suppliers we source from to:

- Declare all home workers involved in the manufacture of our products
- Adopt a shared policy of acceptance of home working and commitment to improving home workers' labour conditions
- Communicate this policy to all those in the supply chain below them, including home workers themselves
- Work with us to identify where home working occurs in the supply chains beneath them
- Work with us to develop an action plan for improving labour conditions with home workers where these are found to be below those set out in the ETI Base Code





Informal Workers in India

As part of our ongoing mapping and transparency process, we discovered three factories in Northern India that employed informal subcontractors and home workers in Moradabad.

This is usual practice in the Indian hard goods sector due to specialist skills that exist only in these villages. These workers are considered vulnerable as there is no visibility to their wages, working hours or general health and safety. We partnered with our supplier and Traidcraft to develop a training and capacity-building project designed to deliver positive outcomes for workers in the hard goods supply chains in this region. Here's what we achieved:

- Improved working conditions, such as access to clean water, fire-fighting equipment and sanitation
- Improved occupational health by suggesting better working practices within subcontractor units and home-working units
- Introduced wage diaries for workers to monitor correct wage payments and working hours, reducing risk of pay disputes
- Trained local champions to take the work forward and make the impact more sustainable
- Raised awareness of entitlements and social entitlement schemes, such as artisan cards

These project activities have benefitted over 100 workers from subcontractors and home workers in this informal supply chain.

Modern Slavery

All parties involved in the production of The White Company merchandise must comply with The White Company's Code of Conduct and applicable law relating to slavery and human trafficking, including the Modern Slavery Act 2015, and respect International Human Rights and applicable laws.

The White Company are committed to ensuring there are no forms of modern slavery in our supply chain or business operations, and we expect all of our supplier partners to understand and identify vulnerable workers in their own supply chains.

Modern slavery can appear in many forms and we expect our suppliers to be fully aware of the **ILO Indicators of Forced Labour**.

Human Rights Due Diligence

Monitoring & Mitigation

All of our supplier partners agree to and sign our **Code of Conduct**, which covers our workers' rights expectations across our supply chain. This includes ongoing annual requirements as well as the onboarding process.

As well as signing our Code of Conduct, our suppliers must provide us with a third-party social audit as well as an ethical self-assessment. Both of these are reviewed in conjunction with each other and fed back to the supplier. It is quite normal for a factory to encounter non-compliances, and we work with the supplier to put corrective action in place, with timelines depending on the severity of the issues raised. As a business, we source thousands of different products from 25 countries and we review each site based on geography and industry.

Our business is split into three categories (Home, Fashion and The Little White Company), each with their own supply chains, and we engage with the Commercial Buying and Quality Assurance teams to keep them up to date with their suppliers. In the event where a factory has a severe issue, we work with the commercial team and the supplier partner to discuss the root causes, the responsible person and additional trainings recommended, along with timelines for closure of issues. The factory will then be monitored overtime to ensure these issues are not repeated.

We pay particular attention to worker voice data, ensuring that all sites have a minimum of a worker committee, with elected representatives. Below, data can be found on worker representation across Tier 1 sites. We understand that strong grievance mechanisms and worker voices enable non-compliances to be resolved without intervention.

In addition to auditing our factories, we also use a variety of frameworks and resources as part of our human rights due diligence. We believe that audits only scratch the surface of understanding risks in our supply chain, so we combine these results with country-level risk assessments.

As an ETI member, we use their Human Rights Due Diligence framework, which is in line with the **UNGPs**, to help us identify and address actual and potential risks to human rights in relation to our purchases as a business.

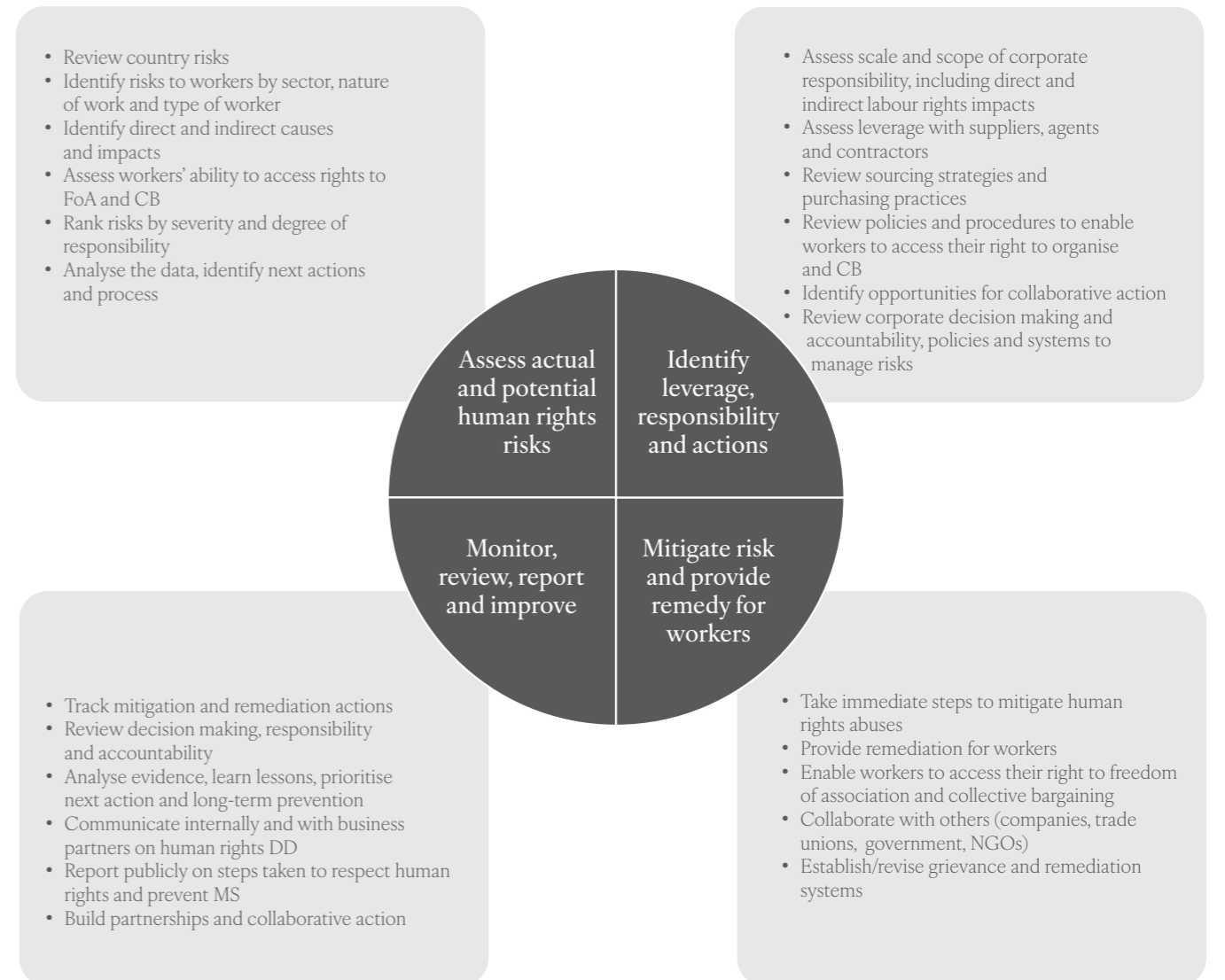
The resources we use to grade risks to workers include the annual **ITUC Global Rights Index**, which assesses workers' voices and rights globally, and we use the **USA Trafficking in Persons Report**, which is released annually and reports on modern slavery and human-rights risks by country.

We combine these results with data on the most vulnerable workers in our supply chain and this directs our focus for our ethical strategy.





ETI Human Rights Due Diligence Framework



Through using this framework, we have identified our key risks based on country risk and total business placed in our top five sourcing countries. This allows us to focus our attention on these key countries and higher-risk areas.

Country Priorities & Salient Risks

Country	China	Turkey	India	UK	Portugal
Salient Issues Identified	Forced labour Lack of worker voice Local migrants	Int. migrants Informal workers	Local migrants Women Lack of worker voice Informal workers	Local migrants Forced labour	Migrants Informal workers

China

We have been aware of the risks of forced labour in our China supply chain for a number of years and, since 2020, we have improved our human rights due diligence in China by engaging more with our suppliers, gathering data on migrant origins and implementing a Cotton Policy.

Workers' rights due diligence in China is challenging, and we understand that working collectively with our ETI peers and industry experts is key in identifying risks in our supply chains.

Local migration in China is normal practice and has been the industry's tradition for decades. Manufacturing sites in China are predominantly along the east coast, near ports. These provinces are where most exporting industries are based, however a large number of workers come from less prosperous provinces, away from the coast, and are recruited to work in factories.

These local migrants often work in factories for a number of years, then return to their original provinces. Although we know that the workers are from China and not recruited from abroad, we still put them into the category of 'vulnerable workers' as their rights can be lesser than those of the local workforce.

Turkey

This year, we have not seen an increase in international migrants in Turkey. The numbers have remained steady and no new nationalities have entered our supply chain here.

Since 2017, there has been an influx of migrants into Turkey due to conflict in neighbouring countries, so we have maintained 'Migration' as a salient issue in Turkey and believe it is an area that we need to maintain focus on, and we will continue to monitor migration into our supply chain.

The manufacturing industry in Turkey relies on subcontractors to support processes such as sewing and ironing. We continue to ask all our Tier 1 factories to declare supporting units and the workers employed, as almost half of the Turkish sites use subcontractors (12 sites plus five subcontractors).

India

India is another country that relies heavily on local migrants. Workers are recruited from across the country to work in factories in industrial areas. This can often be combined with agricultural work in harvesting seasons, so workers can be moving between industries throughout the year to earn an income. This often means that migrant workers have short-term contracts and can find themselves with reduced rights compared to their peers.

The visibility of migration in India is considerably reduced compared to China. Audits often don't identify migrant numbers – just temporary workers – so there is work to do to identify how many migrants there are in our supply chain in India, as well as their origins.

The majority of our factories in India are based in the the north, around Delhi and Moradabad. This part of India has a high number of male workers, both in the production of hard goods and textiles. We often find that over 90% of the workers are male, with just a few women workers, which makes them more vulnerable as employees.

The manufacturers in India, particularly in Moradabad, also rely heavily on the use of subcontractors and home workers as the products made in this area often rely on artisans and craftspeople to complete the manufacturing process. Informal workers can often be forgotten in the due diligence process.



UK

Our UK supply chain is focused on home hard goods and fragrance. We use 17 sites in the UK where the recruitment of international migrants is very high. In some cases, we can find that almost 80% of the workers are migrants.

The recruitment channel of migrants in UK labour providers can be challenging and high risk. There have been many cases in the UK of modern slavery via the use of agencies, so we make sure we review the recruitment process in these sites and check the GLAA site to ensure the labour providers have a **GLAA** licence.

Portugal

The majority of the manufacturers we use in Portugal are for bedding and textiles. Generally, Portugal is a low-risk country – however, due to the volume of business we place there, it is our second-highest sourcing country, and so we focus our attention on these workers.

The workforce in Portugal is predominantly local, with little use of migrant labour – however, in the last few years we have seen a change, and there has been an increase in recruitment of labour via agencies and from other countries. This has been seen in the south of the country and is an area we will explore more this year.

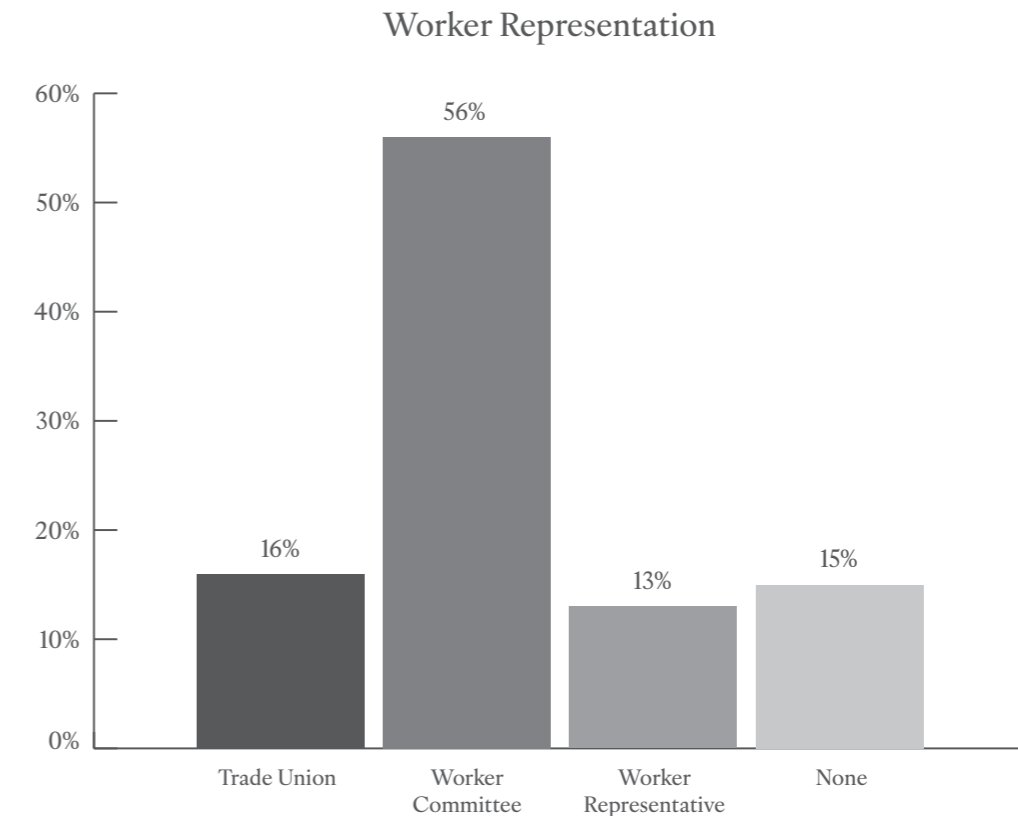


Worker Voice & Freedom of Association

A key code in the **ETI Base Code** is 'Freedom of Association' and 'Collective Bargaining'. This means that all workers have the right to join a union or to bargain collectively for their rights unless restricted by law. In this case, the employees have the right to develop parallel means for independent and free association and bargaining. In many cases, this can be a Worker Committee with freely elected representatives.

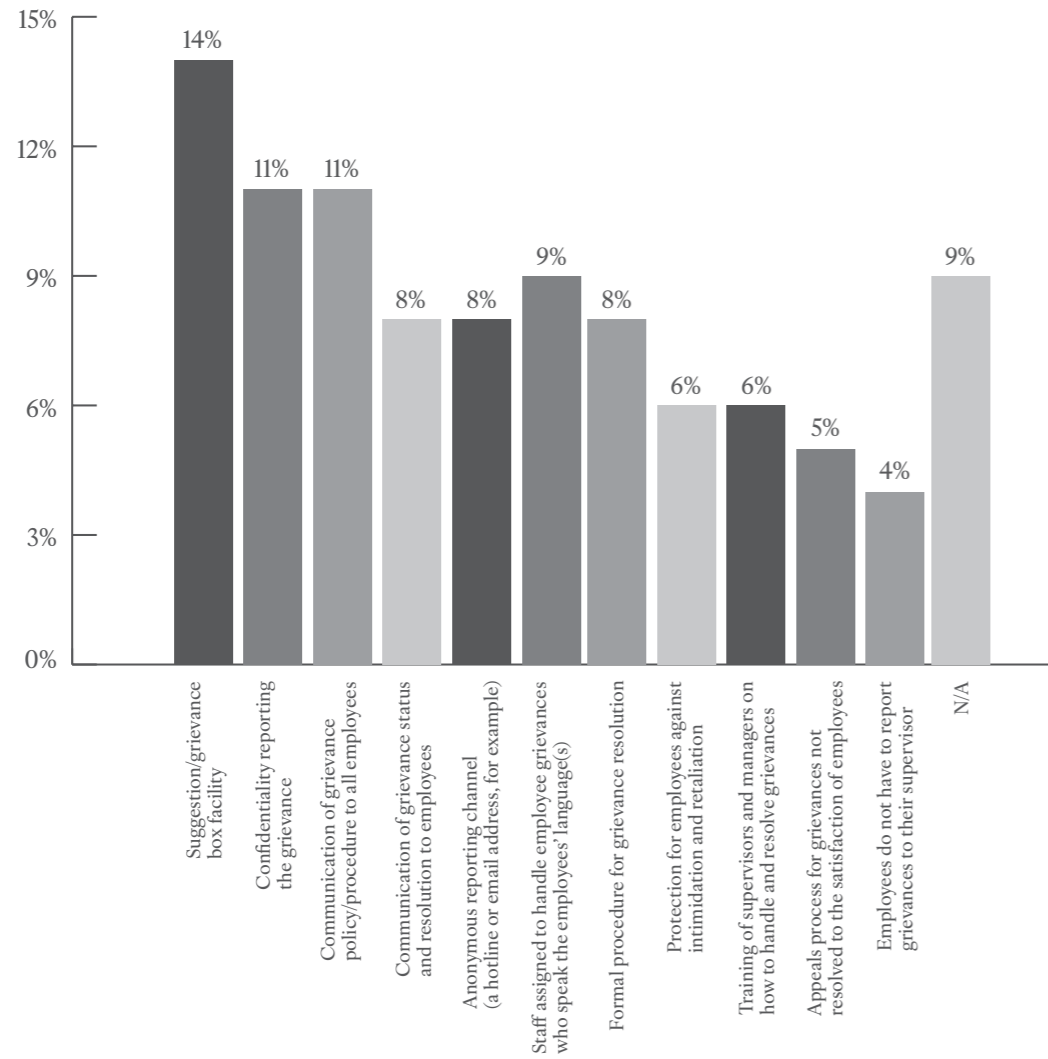
FoA is key in improving the rights of workers as it allows them to have a voice and express concern over everything from health and safety to fair wages to harassment. Empowering workers to use their voice and implementing grievance mechanisms and channels allows them to voice concern in all areas and consequently improves all nine ETI Base Codes.

This is why FoA is a key area in all manufacturing sites and an area we must focus on to improve workers' rights. Below is a table of data gathered from our Tier 1 sites. It shows that 85% of the factories have a form of worker representation. This is a positive start, however it doesn't tell us the effectiveness of these channels.



This year we delved further into this data, focusing on the top 20 suppliers, covering 80% of our Tier 1 sites. We wanted to understand the grievance channels in these factories, their understanding of the importance of worker voice and where we need to focus our attention.

Grievance Processes



From this additional data we can see that there is work to be done in this area. All grievance process selections are under 15% and should be closer to 100%. We can see that the 9% that answered N/A do not fully understand the importance of worker voice and that it is applicable in all factories for all employees.

Vulnerable Workers in the Supply Chain

In addition to identifying and focusing on the salient issues in our top five countries, we have also identified the most vulnerable people in these countries. These people, due to their status, commonly have lower workers' rights compared to the rest of the workforce.

The three groups identified are women, workers – such as subcontractors and home workers – and both local and international migrants.

Country	China	Turkey	India	UK	Portugal
Vulnerable workers	Local migrants Women	Int. migrants Informal workers Women	Local migrants Informal workers Women	Int. migrants Women Informal workers	Int. migrants Informal workers



Migrant Workers

Migrant workers are commonly employed in supply chains where there is a lack of local labour, where there are high levels of immigration due to conflict or where there are established labour routes via labour agencies.

In these cases, this can often mean that they are provided little social protection and experience inequalities in the labour market, which can then lead to discrimination, exploitation, forced labour and, at times, human trafficking.

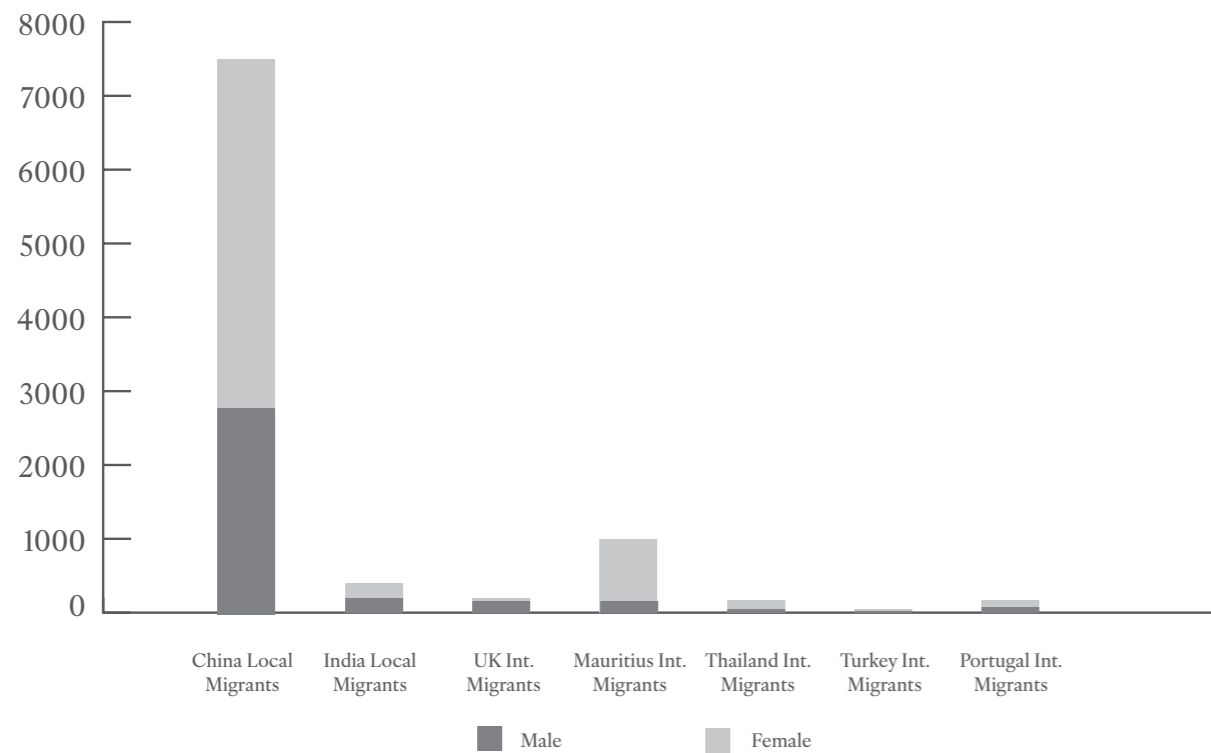
Migrant workers can be categorised as either local or international migrants.

Local migrants are those engaged in labour for which they have travelled to another region of their national state specifically for employment. In our supply chain, we see this in China and India.

International migrants are those engaged in labour activities for which they have travelled to or been displaced to a foreign country or territory for employment and/or refuge. In our supply chain, we see this predominantly in the UK, Southern Portugal, Mauritius and Thailand.

Currently, in Tier 1 of our supply chain, we have identified around 7744 local migrants and 2281 international migrants.

Migrant Data



Informal Workers

Informal workers are those that are informally employed; in the case of The White Company's supply chain, this can be workers in subcontractors or home workers.

These employees are not directly employed by a factory and so do not always have access to the same workers' rights as a formally employed person.

We are working towards identifying how many informal workers are in our Tier 1 supply chain. This year, we have seen an increase of 10 new home-worker units.

Informal Worker Sites

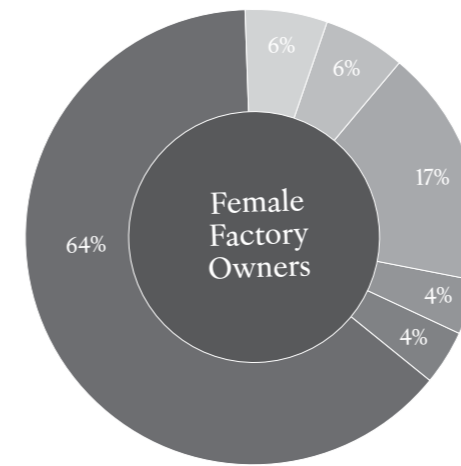




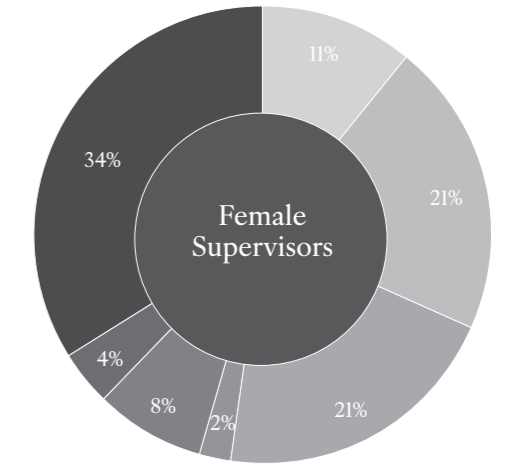
Women

Women make up over half of our supply chain and often can be discriminated against as employees. This can cause them to have reduced rights, a hidden voice and, in some cases, fear of harassment or abuse. Currently, we have identified 31,400 women in Tier 1.

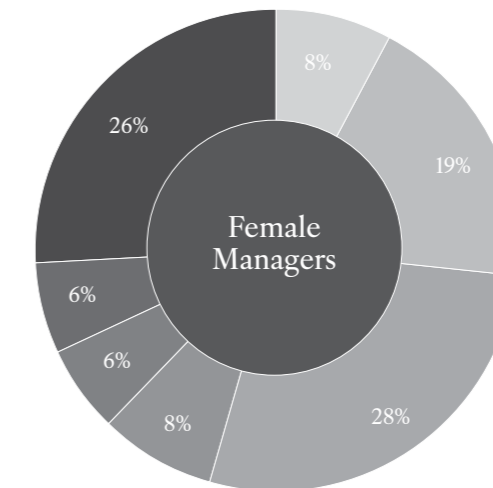
We have spent the last year gathering data on our more vulnerable workers, including women.



■ 76-100% ■ 51-75% ■ 30-50% ■ 20-29% ■ 1-9% ■ None



■ 76-100% ■ 51-75% ■ 30-50% ■ 20-29% ■ 10-19% ■ 1-9% ■ None



■ 76-100% ■ 51-75% ■ 30-50% ■ 20-29% ■ 10-19% ■ 1-9% ■ None

This collected data tells us there is a lack of female management and ownership at the factories we use.

Only 6% of factories are owned by women, 34% don't have female supervisor and 26% don't have female managers.

There are complexities when analysing this data as it is based on our top 20 suppliers, who produce everything from tables to cashmere and knitwear, across various countries, from India to Lithuania.

This year we need to delve further into the data and analyse whether there is more of a lack of female leadership in specific industries and/or countries.

Steps Taken in 2023

In 2022 we published our first ETI Corporate Transparency Framework and set out our steps for 2023. This year we focused our attention on gathering key data on salient issues and the most vulnerable workers. We piloted our **Supply Shift**, a mapping and transparency portal, focusing on our top 20 supply base, and worked with various stakeholders to create a supplier and factory self-assessment survey. The assessment was designed to both map our factories and gather key data from these sites. The assessment is split into both ethical/social and environmental questions at both supplier and factory level.

On the social side, our focus was on collecting disaggregated data on worker representation, informal workers, migrants and women. These are the most vulnerable workers.

The data collected from our top 20 suppliers covers key countries such as China, India, Turkey, the UK, Portugal and Vietnam, as well as smaller sourcing countries such as Lithuania, Madagascar and Poland.

Next Steps

Migrant Worker Data Analysis

We have identified that there are around 10,025 migrants in our Tier 1 supply chain, 56% of which are women. We can see that international migrant numbers are increasing in Portugal, so this is an area we need to investigate further to find out why and via which channels.

Numbers have remained stable in Turkey, China, India and the UK.

Further Discovery & Next Steps

- Explore the increase in migrant numbers in Portugal
 - Why has this increase occurred?
 - What are the recruitment channels used?
 - Where are the countries of origin of the migrants?
 - Issue migrant policy
- Explore and understand further the migration patterns and numbers in India
 - Is this across all industries?
 - How are these migrants recruited?
 - Does this occur across all of India or is it isolated to key provinces?
 - Issue migrant policy
- Explore and visit all UK sites using migrant labour
 - Explore countries of origin
 - Understand recruitment channels
 - Issue migrant policy
- Continue to map all migrants in China
 - Work with peers and industry experts to further understand forced labour risks
 - Continue to monitor migration into Turkish supply chains





Informal Worker Data Analysis

We have identified that we are using 36 subcontractors in Tier 1 across India, Portugal, China, Turkey, Vietnam, Indonesia, Italy and Spain.

We also know that we are using 34 home-worker units, supporting Tier 1 sites across Vietnam, India and Indonesia.

Across both subcontractors and home workers, we are working with approximately 1500 informal workers, contributing to various homeware products – the majority being in Vietnam.

Further Discovery & Next Steps

- Explore new opportunities to reach home workers in Vietnam and India
 - Work with peer stakeholders to investigate collaboration opportunities
 - Explore homeworker NGOs to facilitate positive impact programmes
 - Gather data on informal workers' worker voice
 - Gather gender disaggregated data
- Continue to engage with suppliers to gain visibility of informal workers

Female Workers Data Analysis

We know that we work with approximately 31,000 women in our supply chain and that they are key players in the manufacturing of our product. The data we have collected on female leadership representation in the factories shows us that women are mainly working in lower-income and lower-skilled roles, so we need to understand why this is occurring.

Further Discovery & Next Steps

- Explore female leadership further in Tier 1
 - Which countries is this occurring in?
 - Which industries is this occurring in?
 - What are the obstacles stopping women progressing into leadership roles?
- Explore mechanisms to gather data directly from female workers on their grievances

Worker Voice & Freedom of Association Data Analysis

We can see from the data collected that there is a clear lack of understanding of the importance of worker voice and grievance mechanisms. Although 85% of Tier 1 sites have a form of worker representation, we do not understand whether these committees function correctly and fairly. We also do not understand whether women and migrants are fairly represented in the committees.

Further Discovery & Next Steps

- Engage with factories to discuss the importance of worker representation
 - Understand further the functionality of the committees
 - Are they working correctly?**
- Understand further female representation in committees versus female worker numbers
- Understand further migrant representation versus number of migrants
- Work to improve grievance mechanisms
 - Are they working correctly?**

Transparency Next Steps

Following a successful year of gathering data from our top 20 suppliers' Tier 1 sites using Supply Shift, we will continue next year by rolling out the social and environmental assessments to Tier 2 sites.

Currently, we do not have full visibility of Tier 2 (material producers) sites, however we anticipate that the understanding of workers' rights and terminology will be lesser than that of Tier 1.

To date, the majority of our communications have been with our suppliers and their Tier 1 sites, where we have built up trust and understanding over the years. We have not engaged with most of Tier 2, so we know that we need to adjust our approach to gather critical data.

As a business, we are working towards full visibility of our supply chain, and we expect our suppliers to work towards gaining visibility of their own supply chain and to disclose Tiers 1 to 4 to The White Company when requested. We expect our suppliers to work towards full supply chain transparency.

Tier 1

This includes:

- Main production site of final product
- All subcontractors used to complete the manufacturing process
- All home workers used to complete the manufacturing process

Tier 2

This includes:

- All material producers for the final product, including but not limited to:
 - Weavers
 - Yarn spinners
 - Fabric knitters
 - Tannery
- All embellishers to the final product, including but not limited to:
 - Printers
 - Plating
 - Embroiderers
 - Pattern cutting
 - Beading

Tier 3

This includes:

- All small components for final product, including but not limited to:
 - Trims
 - Screws
 - Buttons
 - Electronics
 - Threads

Tier 4

This includes:

- All raw materials, including but not limited to:
 - All subcontractors used to complete the manufacturing process
 - All home workers used to complete the manufacturing process



We know that visibility of our supply chain is a key priority for our business. We have transparency of all Tier 1 sites and carry out our due diligence to identify risks in this tier. However, we also know that working conditions and rights further down the supply chain can be critical, as there is no visibility.

We aim to spend the next few years working with our supplier partners to map out our Tier 2 sites down to raw materials at Tier 4. We are working with our top 20 business suppliers, who provide us with over 80% of our product range, and we have partnered with **Supply Shift** for the process of mapping and simultaneously gathering key social and environmental data.