

## MODERN SLAVERY ACT STATEMENT 2022

August 2021 to July 2022

### Our Commitment

We take great pride in how we make our products at the White Company - not just that they are beautifully made, but that the same amount of care has been taken to ensure that we support the skilled craftspeople who make them. Many people are involved in our supply chain - in our offices, at our supplier's factories and in our stores. We have a responsibility to ensure safe, healthy, and equitable working conditions for every single one of them and are committed to working responsibly in partnership with our suppliers.

We have a zero-tolerance approach to Modern Slavery. As part of our continued Corporate Social Responsibility commitment, we are pleased to share our third modern slavery statement which covers the financial year ending July 31<sup>st</sup>, 2022. Our statement outlines the journey, steps, and measures that The White Company has taken to prevent human trafficking and Modern Slavery from taking place within our business and supply chains. As part of our continued Corporate Social Responsibility commitment, we fully support the transparency in supply chains provision (Section 54) of the UK Modern Slavery Act. Our statement also includes our commitment to the California Transparency in Supply Chains Act SB657 and the Australian Modern Slavery Federal Act 2018.

Supply chain transparency is a complex and diverse issue, but we believe that honesty and transparency are at the forefront of how we will improve our supply chain. This report is a snapshot of our progress and what we have implemented as our journey evolves and we push forward to be even better.

We understand our industry's impact on people and the planet and are committed to the highest standards of ethical conduct and integrity in our business activities. We remain committed to driving continuous improvements as we acknowledge this is a long and continuous journey. We want our customers to be confident in our brand.

Mary Homer, on behalf of the board of directors

CEO, The White Company

January 2023

## Our Story

The White Company is a British brand founded by Chrissie Rucker in 1994. Originating as a small mail-order brochure selling a range of white essentials for the linen cupboard, it has gradually grown into the ultimate luxury lifestyle destination for your home, wardrobe, and little ones. It is now a multi-channel global brand, with our product sold in over 50 stores in the UK, concessions within luxury department stores, and through our dedicated website both in the UK and the USA.

Chrissie is actively involved in leading the company and 50% of the Board of Directors are women.

Our head office is based in London, and we employ circa 1507 staff across our office, stores and in our distribution centre in Northampton.

## Mindfully sourced

We work with the highest quality suppliers who share our values of accountability, transparency and sustainability. We carefully consider the suppliers we work with and the choice of materials we use. We have no ownership interests in our production chain but work with carefully chosen suppliers to develop our designs. We collaborate with industry organisations and NGOs to ensure that our products are manufactured in a socially ethical way, and we extend these principles to our own business operations. Our long-standing strategic supplier relationships, many of whom have been with us from the beginning, are based on trust, transparency, and shared values.

85% of The White Company designed products come from 5 key countries, and the breakdown of sourcing countries by spend is as follows:

China 32%, India 20%, Portugal 10%, UK 7%, Turkey 4%,

We also source more artisan or specialist product from other countries such as Denmark, Spain, and Vietnam. In total we work with 257 approved factories (Tier I) worldwide.

## What is Modern Slavery?

Modern Slavery is an overarching term for a complex, evolving and often hidden type of employment that encompasses forced and compulsory labour, and human trafficking. It exists in both developing and developed countries, including the UK, and can involve UK citizens as well as foreign nationals.

- 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 - When workers borrow money to pay fees to recruiters/labour brokers to get their job and then must 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.

## Responsible Sourcing 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 gaining Achiever level. The White Company's Code of Conduct policy is based on the ETI base code which ensures that,

1. Employment is freely chosen
2. Freedom of association and the right to collective bargaining are respected
3. Working conditions are safe and hygienic
4. Child labour is forbidden
5. Living wages paid – to enable a standard of living that allows food, housing, education, healthcare
6. Working hours are not excessive
7. No discrimination practiced
8. Regular employment provided
9. No harsh or inhumane treatment allowed

All supplier partners must adhere to our Code of Conduct which details our expectations to ensure safe and fair working environments and practices within our supply chain. We set the highest standards and work collaboratively each supplier to increase our understanding and find solutions together. We update our code of Conduct annually, setting even more stringent measures on our journey for continuous improvement. In 2018, we began benchmarking our risk assessment approach using the ETI's Human Rights Due Diligence framework to identify opportunities for improvement. Our due diligence approach involves risk-assessment, supply chain mapping, monitoring, engaging workers directly, training, and collaboration.

Our suppliers voluntarily participate in independent, third-party social audits to ensure a fair, safe and healthy working conditions and continuous improvement. We expect all of the factories manufacturing our product to carry out an annual, third-party social audit which assesses each factory against the ETI Base Code. A social audit, (SMETA or BSCI) will include a physical tour of the factory, interviews with management, groups of workers and individual workers. These interviews are verified against each other as well as against attendance, wage and health and safety records. These audits are the core mechanism to ensure suppliers comply with our requirements combined with supplier engagement. We work with the factories to make corrections where necessary.

Using these audits as well as the ETI Human Rights Due Diligence Framework, we assess if there are any risks to workers' rights within our supply chain. Additionally, we use industry country reports on workers' rights and human trafficking, for example the-current *Trafficking in Persons* report and *ITUC Global Rights Index*

We continue to work closely with both the ETI, other members and Industry peers to make improvements across our global supply chain.

<https://www.ethicaltrade.org/eti-base-code>

## Transparency within our Supply Chain

Traceability is about knowing where our product comes from – understanding ‘who made our product’ at every level of our supply chain. It is vital that we have transparency within our factories if we are to assess and combat risks of modern slavery.

We have mapped 100% of our Tier I factories that manufacture all our product (main production site). In several countries it is common for suppliers to outsource parts of production to other suppliers / units that specialize in certain skills. This can pose a risk. We insist that all suppliers declare outsourcing to us, and we have identified 26 outsourcing units for primary parts of the production process e.g. sewing. Alongside this we recognize the importance and unique skills of homeworkers and have mapped major sources of home working. For more information on our home working position and code of conduct please visit <http://www.thewhitecompany.com/help/ethics/>

We have a stringent onboarding process for any new suppliers which includes an ethical self-assessment to encourage transparency that is then checked against a 3<sup>rd</sup> party social audit before we proceed.

### What Next

Our goal is to focus on transparency throughout our whole supply chain. This includes identifying the more vulnerable and high risks workers and working in partnership with our suppliers to gain more visibility of our supply chain. This year we have invested in a Supply Chain Mapping portal to map our supply chain down to Tier 4. This portal will also enable us to engage with workers further down the supply chain and to analyse workers risks further down the tiers where we know workers are less visible and are potentially more vulnerable.

### Supply Chain Tiers

Tier 1 – Manufacturing unit making / assembling the final product

Tier 2 – Unit where the materials are made (i.e. fabric weaver)

Tier 3 – Unit where small components are made (i.e. buttons / yarns) or spinners, fiber-makers

Tier 4 - The farm, forest or factory producing the raw material (i.e. cotton farm)

We are aiming for full supply chain traceability by the end of 2025.

One of the aspects of supply chain mapping is identifying migrants, both local and foreign in the workforce.

Migrant workers can be easily exploited as they can have little knowledge of their basic rights and are vulnerable to unethical employment practices including modern slavery.

We have identified the migrant risk in our top 4 countries as follows;

China 7000+ (local)

Portugal 239 (International)

UK 483 (International)

Turkey 36 (International)

This year migrant workers have greatly increase in Portugal. This is due to an increase in new Portuguese factories further south where there is more foreign labour, alongside the influx of displaced Ukrainians moving into EU countries.

There has been a big decrease in migrant labour in the UK due to Brexit and foreign workers returning home.

We create targeted programmes to collect data on any potential breaches in the ETI Base Code, and work with any suppliers to make improvements to their workers' rights

## Collaboration and Working with Others

As part of our commitment to a more ethical supply chain we understand that organisations cannot achieve their goals alone. Only by working with like-minded others, can we achieve greater scale, innovation, reform, and impact. As well as being members of the Ethical Trading Initiative, we work in partnership with an anti-slavery consultant, who provides critical guidance and training. Previously we have worked with United Work Reintegration and Placement Services to support Syrian refugees employed in Turkey. We continue to collaborate with Traidcraft in India, a specialist NGO working with craft communities to build capacity and fight injustices in informal supply chains.

## Snap-Shot of Implemented Actions and Ongoing Work

### Ukraine & The EU

In February 2022 Russia invaded the Ukraine, displacing over 7 million people into the EU, predominantly women and children. Under the *EU Temporary Protection Directive* [https://home-affairs.ec.europa.eu/policies/migration-and-asylum/common-european-asylum-system/temporary-protection\\_en](https://home-affairs.ec.europa.eu/policies/migration-and-asylum/common-european-asylum-system/temporary-protection_en) displaced Ukrainians are eligible to benefit from employment, housing, healthcare and education.

Displacement of people through conflict puts them in a vulnerable situation and opens them up to dangerous situations including human trafficking, slavery, and exploitation.

As ETI members, we worked with them and a peer membership group and collaborated with the IOM United Nations Migration, to develop guidance to support displaced Ukrainians throughout the EU. Various working groups were formed to address the key issues. These included *Ukraine Internal group*, *Labour Movement group* and the *Russia Sanctions group*. As we do not work with factories in Ukraine or have stores in Russia, we only participated in the Labour Movement group.

We work with 33 tier 1 factories in the EU, including neighbouring countries to the Ukraine, Poland & Slovakia. We identified these as the priority countries where displaced Ukrainians were migrating to and set up calls with our 4 factories as an initial touchpoint to discuss their current situation and to understand what they needed from us to support Ukrainian workers.

Following this, we expanded the scope and sent out a survey to all factories in the EU, along with guidance for supporting Ukrainian workers in various languages and the *ETI Guidance for Employment and Integration of People Displaced from Ukraine*. The survey covered the following areas:

- Recruitment practices
- Language requirements
- Documentation & wages
- Accommodation & transport
- Integration & wellbeing

The survey identified 6 factories employing Ukrainians under the *EU Temporary Protection Directive* in Slovakia, Portugal, Poland and Estonia. There were 31 displaced Female Ukrainians found employed in our supply chain. All sites were found to be following the guidance and supporting their employment and integration into their host countries.

## Turkey

In 2017, Turkey was highlighted as a key risk country due to the high number of Syrian refugees migrating to Turkey to escape the civil war and humanitarian crisis in their homeland. It is estimated that close to half a million Syrian refugees have made their way to Turkey or Europe and are employed in the informal sector (agriculture, construction, manufacturing, and textiles). They face the risk of modern slavery with unfavorable working conditions, unfair wages, long working hours and improper workplace safety and security.

In 2019-20, in response, we collaborated with our partners at Anti-Slavery Int. & United Work and arranged supplier conferences and workshops with our Turkish suppliers to focus on modern Slavery & supporting refugee workers including the remediation of unregistered Syrian refugees. We further collaborated with peer brands who source in Turkey to share knowledge and increase awareness. We have continued to monitor all Turkish factories with migrant workers and monitor that their rights are maintained along with their work permits. All factories and their subcontractors have annual social audits and declarations of work force breakdown to verify they are complying with the ETI base code and Modern Slavery Act.

## India

As part of our ongoing mapping and transparency process, we discovered 3 factories in Northern India that employed informal sub-contractors and homeworkers 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.

- Improved working conditions such as access to clean water, fire-fighting equipment & 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 work hours reducing risk of pay disputes
- Raised awareness of entitlements & social entitlement schemes such as artisan cards

Between 2018-2020, the project activities benefitted 93 subcontractors and homeworkers in this informal supply chain. Due to the success of the project, we are currently reviewing both an extension to the project at current units as well as expanding out to further workers in our supply chain.

In 2020-2022 we continued to monitor the programme.

## China

We are aware (via media and civil society reports) of the risk of forced labour of Uyghurs and other Muslim minorities in the Xinjiang Uyghur Autonomous Region (XUAR) as well as other regions in China. These concerns are closely linked to the cotton industry in the region. We issued a letter to all our suppliers forbidding the use of cotton from the Xingjiang region of China.

In 2021-2022 we mapped the province origins of all local migrant workers in China. We know that workforces in China are still predominantly migratory and in our supply chain there are 7150 local migrants. We continue to track all province origins of these workers as part of our Modern Slavery due diligence and assess if there is a risk of modern slavery using industry and civil society reports.

## Our Business - Distribution Centre/Northampton

Since 2017 we have been collaborating with NGO Anti-Slavery International to perform due diligence at our UK distribution centre. We wanted to better understand the conditions for temporary workers that are hired through external recruitment agencies and to access any risks of modern slavery.

In November 2019, TWC's Corporate Social Responsibility Manager and an independent Anti-Slavery Global Human Rights Advisor conducted an assessment at our distribution centre. Interviews were held with workers. We cross-referenced the information provided by our recruitment agent assessing both the risk of modern slavery and the robustness of The White Company's monitoring systems. TWC's management and staff, the external recruitment company's management and 33 workers from 8 different nationalities (with interpreters where necessary) over a 3-shift, 24-hour period were interviewed.

The assessment confirmed that there were no cases of modern slavery within the facility. We identified medium-level risk factors and have recommended improvements to strengthen our labour provider's due diligence in systems and practices for the recruitment and management of temporary workers. Improvements include record keeping and the implementation of a temporary worker policy to ensure contracts are issued, receipts confirmed and that workers are paid accurately and on time. We also set out criteria for sub-contracting and continue to roll-out modern slavery training for both our labour provider and TWC staff. Our annual re-assessment in December 2020 was postponed due to Covid-19 social distancing measures.

In 2021 we returned to the annual assessment of reviewing the MS risks of all our outsourced warehouse staff during the peak Christmas season. In Summer 2022, we handed the warehouse operations over to an independent 3<sup>rd</sup> party company and have been working closely with them to ensure the highest standards are continued.

*'It should be noted that the continued independent annual review of working practices at TWC distribution centre demonstrates the company's commitment to human rights and ethical business practice'.*

**Business and Human Rights Consultant | December 2019**

## Summary of Our Progress to date

The White Company's handwriting is one of timeless design, our product is made to be loved and last. We want to support our customers to do the same and to help reduce the dependence on finite resources, finding more sustainable or recycled alternatives. We have focused our CSR and sustainability journey around 5 key initiatives.

### Our 5 Calls to Action

#### Tackle the Packaging Monster

- All our paper and card is FSC recyclable and all Online delivery packaging is 100% recyclable. Plastic usage has been reduced or removed with all clothing bags now recycled/recyclable plastic and recycled cotton totes for all duvets and pillows. Polystyrene packaging and plastic parcel fillers have been eliminated. Refillable bottles are now offered within the bath and body range.
- Our stores have partnered with First Mile, a zero-waste solutions company, working to recycle all store waste

#### Preserve our Precious Planet

- Rapid growth of more sustainable fabrics across all ranges where quality allows. These include Tencel Lyocell / Modal, Ecovero, hemp and Cupro bedlinen, organic cotton t-shirts/loungewear, Eco-wash denim, The Good Cashmere standard cashmere, Responsible Wool, responsibly sourced down, recycled fill duvets and pillows, modal nightwear and organic cotton baby sleepwear. All our timber is FSC certified, we have joined the Leather Working Group and have launched a responsibly sourced mattress range
- We have launched an organic, essential oils range

#### Leverage Longer Life

- We have published our sustainable materials guide and fabric care advice to advise customers



- Our distribution centre recycles all waste and we have invested in a new packaging machine that reduces cardboard usage by 50% and courier collections by 30%
- We donate all faulty clothing to Newlife the Charity for disabled children
- We have partnered with Thrift+ as a re-sell platform for our customers, extending the life of unwanted clothing

### **Mindfully Sourced**

- ETI achiever level reached. Continued improvements to our updated Code of Conduct in line with legal and environmental standards
- We have mapped migrants in our supply chain, identifying them as some of the most vulnerable workers
- We have communicated and worked on a one to one basis with our suppliers throughout the Covid-19 pandemic, ensuring we are listening and reacting to the challenges they have faced

### **Changing Behaviours**

- Diversity and Inclusion working party established
- CSR steering group and B-Corps working party created
- We have partnered with Thrift+ as a re-sell platform, encouraging our customers to re-think the life span of their garments

### **Our Future Commitment**

Climate change is one of the biggest issues facing our planet and we have to understand our footprint in order to reduce the impact. We aim to follow the lifecycle of our product taking accountability for responsible practices throughout our supply chain from growing textile fibres, manufacturing, packaging, shipping, garment care and recycling. We will invest in programs that replace resources or educate producers and plan to set out a roadmap to show how we are progressing.

### **Next Steps**

- Our ambition is become an accredited B-Corp Certified business. B-Corps is a global non-profit NGO organization providing an independent advisory and audit certification that ensures a level of commitment to sustainable practices that benefit businesses, their employees, suppliers, customers, and the planet.
- We have registered for B-Corps assessment and established a working party to focus on our application
- We have established a CSR steering group who share, coordinate and report on all new sustainability initiatives across the business
- We are working to increase the use of natural and sustainably certified materials including an updated cotton sourcing policy and are committed to mapping our supply chain from farm to warehouse.

- We are issuing an updated Code of Conduct to our suppliers and will further develop our policies addressing risks to worker rights and Modern 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.

**ETI Human Rights Due Diligence Framework** - A guide for companies to help them prevent and manage labour rights risks, and understand why engagement, negotiation and collaboration is the only way to succeed

**NGO-** A non-governmental organization 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 programs to help support positive impact or continuous improvement within supply chains.