

MODERN SLAVERY ACT STATEMENT

April 2017- March 2018

Introduction

At The White Company our people and our values are at the core of everything we do and we are committed to acting responsibly in all our Business practises. We therefore have a zero tolerance approach to Modern Slavery, as it goes against all our beliefs, and we are totally committed to addressing all the issues associated with this, with the aim to ensure it is completely eradicated.

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 focusing on the prevention of modern slavery and human trafficking. This statement also includes our commitment to the:

USA California legislation: The California Transparency in Supply Chains Act SB657

Australia legislation: The Modern Slavery Act 2018 (Federal Act)

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

We published our first modern slavery statement in January 2018 and pleased to share our second statement. We remain committed to driving continuous improvements as we acknowledge this is a long and continuous journey. We look forward to sharing our progress in future statements.

This statement has been approved by the Board of Directors.



Mary Homer

CEO, The White Company

January 2019

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 and FLEX.

“In the past year, The White Company has increased its outreach to other stakeholders, such as with Anti-Slavery International, Oxfam and other peers. Some outreach directly to workers has increased this past year, which is commendable”.

ETHICAL TRADING INITIATIVE | ANNUAL REPORT FEEDBACK | January 2018

Our Supply Chain

We source The White Company designed products from the following primary and secondary countries (number of factories in brackets): China (103), India (34), Portugal (32), UK (29), Turkey (13), Italy (5), Thailand (6), Vietnam (11), and Poland (4). 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, 170 suppliers, across 260 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 45 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

Since last year, we have benchmarked our risk assessment approach against ETI's Human Rights Due Diligence framework to identify opportunities for improvement. This includes enhancing our engagement with workers.

Our risk assessment, supply chain mapping and monitoring remains similar to our approach highlighted in our previous statement.

We joined Better Buying <https://betterbuying.org/> as part of our approach to purchasing practices. Better Buying allows suppliers to anonymously rate the purchasing practices of the companies that buy their products and tells brands and retailers which practices can be improved. We acknowledge we play a role in the supply chain and hope to use this platform to gain a better picture of areas we can support suppliers.

Training and Raising Awareness

Training and raising awareness remains a vital part in our approach to effective due diligence. Since last year, we have decided to focus on developing our training with Turkish suppliers as a priority.

This year, we collaborated again with our strategic NGO partner Anti-Slavery International to deliver the second phase of training. Taking a long-term phased approach we hope to create a safe space for suppliers to share challenges and find solutions together.

Contents of the training included:

- UK examples
- Child and forced labour
- Risk assessment, scenarios and actions

Country	No. of sites engaged
Turkey (Completed in UK by ASI)	10 Suppliers (Inc. 3 major suppliers)

Reviewing Due Diligence – Anti Slavery International

Building on our partnership with Anti-Slavery International, we invited them to meet one of our global sourcing agents and their third party social compliance partner. The purpose of the meeting was to review current due diligence methods under their auditing model and possible improvements.

We believe it is important to seek advice from NGO's and facilitate conversations with industry partners.

We will continue to seek such opportunities over time.

Collaboration and Working with Others

We continue to 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.

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.

United Work Reintegration and Placement Services is an NGO that is running a social responsibility project funded by the Dutch Government aiming to support Syrian refugees being employed in Turkey.

United Work have become The White Company's remedy partner for remediation in Turkey regarding Syrian Refugees.

We have joined **Better Buying** as a key part of our purchasing practice approach. We are committed to understanding our role in the supply chain and hope to use this platform to gain a better picture of our sourcing decisions.

Our Supply Chain in focus- Turkey

Last year, we highlighted Turkey as a key risk country to focus our efforts on. Turkey remains a strategic focus within our supply chain and we are pleased to share an update on our work.

ETI tripartite Turkey Business and Human Rights programme

We are still active members of the ETI tripartite Turkey Business and Human Rights programme that is being jointly funded by the UK Foreign and Commonwealth office. <https://www.ethicaltrade.org/programmes/syrian-refugees-working-in-turkeys-garment-sector>. This year through the programme, we have had two suppliers participate in social dialogue training pilots. These pilots are designed to improve workplace dialogue in factories. Though not directly linked to modern slavery, they offer a more effective way of uncovering human rights risks to workers.

Turkey Supplier Summit

Following the success of our first Turkey Supplier Summit in November 2016, we held our second summit in December 2017. We again, invited all our Turkish suppliers to a two-day event, focused on sharing best practice and maintaining stable business partnerships. As before, we had one day completely dedicated to ethical trade. This included phase two of our training programme with Anti-Slavery International.

86% of our Turkish suppliers said The White Company were very good or above at supporting suppliers with ethical trade management

The annual summits have helped us build trust with suppliers and create a safe space for them to discuss challenges in an open and collaborative forum. We believe this is an important first step in developing more transparent partnerships in our supply chain.

Stakeholder Collaboration

We continue to partner with Anti-Slavery International to provide tailored training on modern slavery and human rights risks in the Turkey context. This year we had a specific element focused on child labour, which included response to remedy and due diligence.

We continue to invite peer brands to attend the training to encourage sharing and a consistent industry message.

Building capacity, strengthening commitment- Going beyond audit in Turkey

The White Company and fellow ETI member brand have identified shared suppliers in Turkey and committed to supporting a joint long-term programme of work to support these suppliers through a local consultancy firm specialising in building supplier's capacity in meeting international labour standards.

The intent of the programme is to create better workplaces for workers, build suppliers capacity to drive long-term change and build better relationships between brands and suppliers based on mutual transparency and trust.

The approach is modelled on the UN Guiding Principles on Business and Human Rights and the Modern Slavery Act. It will include greater emphasis on worker engagement through worker welfare assessments.

The programme will promote better management- worker cooperation in the factory, the business case for self-diagnosis and collaborative review of purchasing practices.

We hope that this new approach will enable greater transparency and help support our modern slavery due diligence in a high-risk area.

The programme launched in March 2018 and we look forward to sharing our progress in the future.

Discovering and responding to unregistered workers in Turkey

Context

Syrian refugees are migrating to Turkey on a mass scale in order to escape the civil war and humanitarian crisis that is taking place in Syria.

The majority of refugees are moving from the Turkish-Syrian border to other locations within Turkey where they seek opportunities to work. Bordering towns to Syria, Istanbul and neighbouring/transit routes to Europe high-risk areas.

Of the total Syrian refugee population, approximately 1.5 million are of working age. While women make 48.6% of the population, there are 1 million Syrian children under the age of 15. It is estimated that between 250,000-400,000 Syrian refugees are employed in the informal sector. Popular sectors: Agriculture, construction, manufacturing, and textiles. They face unfavorable working conditions, wages, long working hours, workplace safety and security are issues faced –similar to host communities, but less protection. There is also a risk of modern slavery.

Trade unions have highlighted the fact that although 1.5 million Syrians have registered to live in Turkey, only around 4,000 Syrians have received work permits.

What is a work permit?

The Government of Turkey provides protection and assistance to Syrians since 2011 under temporary protection. Law 4817: Regarding the work permit of Foreigners.

Under Turkish law, Syrian Arab Republic citizens, stateless people and refugees who individually or collectively arrived in and crossed the Turkish border since 28/4/2011 due to the events in Syria Arab Republic, are provided temporary protection.

The government of Turkey passed a regulation in January 2016 to allow Syrian refugees to obtain formal work permits. The goal was to help Syrian refugees be economically independent, graduate from social assistance, and contribute to the Turkish economy.

Refugees are given temporary protection and able to work in accordance with labour regulations (on work, social security, health and safety at work) in Turkey.

What did we find?

Following training and a transparency request from The White Company, our sourcing agent and the supplier visited subcontracted sewing units and were open when reporting that they had discovered unregistered workers.

We would like to highlight that our supplier willingly disclosed unregistered workers in their supply chain. We believe this is a direct result of our partnership building and Anti-Slavery International training approach.

What did we do?

AREA	KEY ACTIVITIES
Policy	<ul style="list-style-type: none"> We issued our remedy policy to the supplier
Multi Stakeholder Body	<ul style="list-style-type: none"> We formed a multi stakeholder body made up of key internal and external stakeholders- The White Company, Sourcing Agent, Supplier, ETI and Anti-Slavery Engaged ETI and Anti- Slavery International to seek guidance and support Findings were shared with ETI and Anti- Slavery and actions agreed as a group Regular conference calls to monitor progress
Letter of Commitment	<ul style="list-style-type: none"> Issued a collaboration and support pledge to the sourcing agent and supplier requesting transparency and commitment to remedy We underlined we do not believe it is the right message to simply switch production and stop using the units where refugees have been found. Approved and signed by our Clothing Director
Worker Information	<ul style="list-style-type: none"> Gathered basic worker profiles, wages and hours records
Engage Local Expertise	<ul style="list-style-type: none"> Engaged specialist local civil society group United Work to support investigation and remedy United Work joined the multi stakeholder body
Investigation	<ul style="list-style-type: none"> United work performed investigation and met unregistered workers The White Company visited supplier and subcontractor units to support investigation with sourcing agent and United Work Results shared with multi stakeholder group
Action	<ul style="list-style-type: none"> Supplier has agreed to monitor subcontractor units and status of unregistered workers
Access to Remedy	<ul style="list-style-type: none"> Consulted with workers one on one to understand their needs Introduced supplier to United Work for support in registration 4 Syrian refugees (57%) have become registered and received training on their rights

“ As ETI, we worked with our member brand The White Company on the identification of and remediation for the unregistered Syrian workers found in sub-contractor units within their supply chain. During the process, the adherence of The White Company to international standards including the ETI Base Code was evident.

As the Syrian refugee issue is very complex due to unique status of the Syrian population in Turkey, such cases require systematic approach as well as flexibility and local expertise in the implementation of relevant standards. The White Company made sure to meet fully such requirements by approaching the issue in collaboration with ETI and through ETI they started collaborating with an expert local NGO in United Work, who has developed valuable capacity to undertake such complex cases.

Through these means, they were able to identify the situation that Syrian workers are in and their needs and conditions. The White Company expanded their collaboration with the United Work, in providing support to their supplier base through joint events in dealing with such complex issues involving Syrian workers”.

ETHICAL TRADING INITIATIVE | FEEDBACK | April 2019

What is the current situation?

Total of 11 Refugees/ unregistered workers were discovered in supplier's subcontracting sewing units.

Following investigation and worker consultation, United Work concluded they had no reason to believe that the employees are forced or discriminated against at the workplace.



- **7 Syrian Refugees**
- **4 Registered** by supplier and have the legal work permits
- **3 Unregistered** and unwilling to register. They have met with local support organisation United Work who has tried to understand their situation and convince them to become registered. The subcontractor has become increasingly agitated and threatened to remove workers to solve the problem.



- **4 Azerbaijan Workers**
- 1 worker has a resident permit and is considering applying for a working permit if they stay in the country (decision expected June 2018- Future husband is still in Azerbaijan)
- 3 workers unwilling to become registered as they have been living in Turkey for many years and they cannot afford to leave or the application process. They also fear they will not be accepted back based on their skills.

Responsible Exit Strategy and Unregistered workers

The White Company are committed to working with suppliers to exhaust all options to solve challenges. Unfortunately, time to time, there will be cases where we have no further options but to consider a responsible exit from a supplier or subcontractor unit. This can be for a number of reasons but in this case, we believed we did everything we could within our business influence to encourage unregistered workers to become registered.

As a business, we are committed to operating within the legal framework of sourcing countries. As the unregistered workers were unwilling to become legally registered, we worked with the supplier to understand the current production levels and agreed to honour the current production in the subcontractor unit to minimize any disruption. We also agreed that the supplier would monitor the situation moving forward and keep us informed.

Our responsible exit strategy was shared and agreed by the multi stakeholder monitoring body including ETI and NGO's. We also reviewed Fair Wear's responsible exit strategy guidance when formulating our approach.

"Following initial contact with The White Company, we have specified the areas that our support could be offered and started collaborating as the solution partner for The White Company regarding the refugee employees on their supply chain in Turkey.

The White Company invited their refugee employing suppliers to UW office to introduce parties and create a sharing environment. Following this gathering, UW started providing assistance especially by training modules and work permit processes whenever needed along with search and selection.

The White Company has followed a very clear and transparent approach in sharing necessary information, linking UW to the related parties and has shown high-involvement on solution finding & remediation processes. We are happy to observe that this approach of TWC resulted in solving the potential issues even before they arise. As The White Company has no-one based in Turkey for sustainability and social compliance, our collaboration has provided a local contact to their supply chain."

UNITED WORK (UW) | FEEDBACK | April 2019

What will we do next?

- 1 Continue to work closely with the supplier and all parties to monitor the status of workers by consulting them
- 2 Facilitate a sharing event among suppliers so the supplier can share his experiences to demonstrate that transparency is the best for partnerships and workers
- 3 Work with United Work to host a workshop for suppliers in Turkey

“We had experienced a very cooperative approach from the side of The White Company when we found out that there were few foreign unregistered workers in two of our subcontractor sewing units.

The White Company’s first aim was to protect the job of these workers while trying to take legal work permits for them. Secondly to learn if there is any reason for not being able to obtain a legal working permission for those workers.

While working on this topic we had received a big help and patience from The White Company and also learned a lot of information from United Work İstanbul Office”.

SUPPLIER | FEEDBACK | April 2019

Our Business- Distribution Centre in Focus

Last year we committed to collaborate with NGO Anti-Slavery International to perform targeted due diligence at our UK distribution centre.

As highlighted in our previous statement 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.

The purpose of this exercise was to understand conditions for potentially vulnerable temporary workers at our distribution centre through speaking with workers with Anti-Slavery. In particular an assessment of recruitment and management of temporary workers and risks of modern slavery.

The assessment is designed to provide a basis of learning from which improvements in practice and systems can be made with a view of reducing the potential risk of worker exploitation.

The assessment was conducted by The White Company's Corporate Social Responsibility Manager and Anti Slavery International's Global Human Rights Advisor on 11-12th December 2017.

Scope and Methodology

The scope of the assessment was to build on initial assessment completed by The White Company with their recruitment Agency Siamo. The initial assessment with Siamo was conducted through self- declaration during an informal interview. We identified Romanian and Polish temporary workers as the high-risk categories regarding the risk of modern slavery. The two nationalities had the highest representation amongst the temporary workforce in the centre.

The primary focus of the assessment was to conduct interviews with workers and cross-reference information with documents provided by Siamo, assess the risk of modern slavery and to assess the robustness of the The White Company's monitoring systems.

The assessment included:

- Interviews with two TWC HR staff
- Interviews with two Siamo staff
- Interview with Union rep at the workplace
- Four focus groups with total of 24 workers: 7 Romanian, 7 Polish, 5 British and 5 Lithuanian workers (translator present)
- Informal interview with TWC health and safety manager during a tour of the facility

Key Findings

The assessment confirmed that there were no cases of modern slavery within the facility, however there were medium level risk factors identified as follows:

1. As The White Company used a third party recruitment agency, they do not have operational oversight of end to end recruitment process and practices
2. The third party agency had not issued temporary workers with copies of employment contracts and subsequently there was low awareness of the terms and conditions of employment and general employment rights
3. Low awareness about grievance mechanisms amongst temporary workers and concern over raising issue with team leaders
4. Although the Stronger Together forced labour risk assessment had been carried out by the third party agency, its implementation was ineffective

To address these risks, recommendations were made for improvements in systems and practices as regards to recruitment and management of temporary labour on site and labour provider due diligence:

Key Recommendations

1. Strengthen labour provider due diligence process
 - a. Develop and implement temporary (migrant) worker policy
 - b. Review existing labour provider contract
 - c. Set minimum criteria for any sub-contracting
2. Ensure that every worker is issued with a copy of their contract and employee handbook
3. Review and strengthen grievance mechanism
4. Work with Siamo to implement Stronger Together assessment at a more appropriate time during the employment cycle

“The acknowledgement by the White Company (TWC) of the potential risks associated with migrant and temporary labour in the UK distribution centre (DC) is a considerable act of leadership and commitment to human rights and ethical business practice.

It should be noted with appreciation that TWC requested interviews with temporary migrant workers to be carried out and engaged an independent human rights organisation in the process.

TWC HR team representatives as well as Templine representatives were very co-operative and accommodating during the interview”.

ANTI SLAVERY INTERNATIONAL | January 2018

Key Actions so Far

The White Company board of directors immediately underlined their expectation that all temporary workers must receive a copy of their contract to recruitment partner Siamo. This is a zero tolerance matter for the business and has been added to our terms and conditions with Siamo.

Next Steps

1. Feedback meeting between Anti-Slavery and The White Company
2. The White Company feedback to Siamo
3. Define priority action plan based on recommendations
4. Create migrant worker policy and enhance labour provider contract
5. Annual re-assessment December 2018

The White Company are committed to working in partnership and making improvements based on these findings.

Key Actions So far

Targeted Due Diligence

Completed our first assessment at our distribution centre in collaboration with Anti-Slavery International.

Raising Awareness

Continued to raise awareness among our Turkey suppliers by providing the second phase of specialist supplier training with Anti-Slavery International.

Access to Remedy

We have provided access to remedy for unregistered workers in Turkey by collaborating with United Work to register Syrian refugees.

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.

Improving Performance

We will work with Anti-Slavery to discuss recommended actions and complete a follow up assessment in December 2018 to monitor progress.

We commit to sharing the results.

Share best practice

Provide a platform for suppliers to safely share experiences and demonstrate best practice when dealing with vulnerable workers.

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.