



MODERN SLAVERY STATEMENT FOR FINANCIAL YEAR 2017/18

INTRODUCTION

This statement is made pursuant to s.54 of the Modern Slavery Act 2015 and sets out the steps that Whitehouse Leisure International Holdings Ltd has taken, and is continuing to take, to ensure that modern slavery is not taking place within our business, our subsidiaries and anywhere within our supply chain.

Modern slavery encompasses slavery, servitude, human trafficking and forced labour.

Whitehouse Leisure International Holdings Ltd has a zero-tolerance approach to any form of modern slavery.

We are committed to acting ethically and with integrity and transparency in all business dealings and are committed to putting effective systems and controls in place to safeguard against any form of modern slavery taking place within the business and its subsidiaries or our supply chain.

OUR BUSINESS

Whitehouse Leisure International Holdings Ltd is the controlling parent of two trading subsidiaries:



Whitehouse Leisure International Ltd sources, develops and wholesales a range of toy and gift items, primarily soft toys, to the EMEA leisure industry.



Posh Paws International Ltd sources and develops a range of licensed and OEM plush toys and like gifting to UK and EMEA retailers and distributors

All Whitehouse and Posh Paws own label product is sourced from the Far East – the vast majority from China but also Indonesia and Taiwan. Whitehouse Leisure also buy and distribute branded product from UK and EU based suppliers which can originate in many different countries

All product development, design and purchasing is conducted from the group Head Office in Basildon, Essex UK and landed items are stored in third party warehousing in Doncaster UK.

OUR HIGH-RISK AREAS

Whitehouse Leisure International Holdings Ltd has approximately 100 suppliers who provide services and office consumables and supplies. These are all provided to the Basildon head office and would not be considered high risk.

Whitehouse Leisure International Ltd - Has over 1200 listed suppliers. 750 of these provide services etc. There are 400 tier 1 factories/suppliers with a further 350 tier 2 suppliers for Whitehouse own label products. There are over 50 suppliers of branded products, with the precise numbers of tier 2 factories currently not known. Many of the 400 tier 1 suppliers are known and visited and a high proportion have some form of ethical audit. The high-risk areas are the factories supplying the agents dealt with in China and the cornerstone of the Group's policy must be to seek out and verify through this branch of the supply chain that modern slavery is not occurring.

Posh Paws International Ltd - has over 300 suppliers most of whom are services etc. Posh Paws has 20 tier 1 manufacturing suppliers, and of these 3 account for a further 18 factory sites

Posh Paws is a member of SEDEX (Supplier Ethical Data Exchange) and all its factories have a recognised Ethical Audit, usually a SMETA or ICTI certified. Because of this we do not consider their supplier chain to be high risk with respect to Modern Slavery.

OUR POLICIES

We operate several internal policies to ensure that we are conducting business in an ethical and transparent manner. These currently include:

1. **Recruitment Policy.** We operate a robust recruitment policy, including conducting eligibility to work in the UK checks for all employees to safeguard against human trafficking or individuals being forced to work against their will.
2. **Whistleblowing Policy.** We operate a whistleblowing policy so that all employees know that they can raise concerns about how colleagues are being treated, or practices within our business or supply chain, without fear of reprisal.
3. **Code of Business Ethics.** This code explains the way we behave as an organisation and how we expect our employees and suppliers to act.

OUR NEXT STEPS

1. **Anti-slavery Policy.** We need to formally set out the organisation's stance on modern slavery and explains how employees can identify any instances of this and where they can go for help. Our Anti-slavery Policy will form part of our contract with all suppliers and they will be required to confirm that no part of their business operations contradicts this policy.

2. **Supplier Policy.** Formalise a group supplier policy which can be the vehicle to bring together best practices in both divisions and give us a platform to deliver our ethical and anti-slavery expectations to all suppliers and down the supply chain to their manufacturing sites and factories. This will require all vendors and their factories to, for example:
 - a. Ensure they have taken steps to eradicate modern slavery within their business
 - b. Make sure they hold their own suppliers to account over modern slavery
 - c. Ensure they pay their employees any prevailing minimum wage applicable within their country of operations
3. **SEDEX Membership upgrade.** To assist in the tracking and reporting of factory ethical performance, including modern slavery, we will increase our SEDEX membership to Supplier/Buyer (AB) grade for the whole group. This will also open up a series of tools and forms to deeper dive into our supply chain and ensure we have robust Due Diligence with regards to Modern Slavery.

TRAINING

We regularly conduct training for our procurement/buying teams so that they understand the signs of modern slavery and what to do if they suspect that it is taking place within our supply chain.

OUR PERFORMANCE INDICATORS

We will know the effectiveness of the steps that we are taking to ensure that slavery and/or human trafficking is not taking **place** within our business or supply chain if:

- No reports are received from employees, the public, or enforcement agencies to indicate that modern slavery practices have been identified.

APPROVAL FOR THIS STATEMENT

This statement was approved by the Board of Directors on 29th March 2019

Signature:



Name: Antony Brown
Finance Director

Date: 29TH March 2019