

OLIVER BONAS

# MODERN SLAVERY ACT STATEMENT 2022

## INTRODUCTION

Our company values are “Work Hard, Play Hard and Be Kind” and we aim to Be Kind in every aspect of our company life.

We strive to do business in a way that has integrity, is ethical and minimises the negative impact on others and the environment.

In 2015, the UK Government passed into law the Modern Slavery Act. In the last seven years, we have played our part and recognise we have a responsibility to prevent modern slavery and human trafficking throughout Oliver Bonas and in our supply chain.

This is our seventh MSA statement and was published in June 2023. This highlights the work we have undertaken to identify and eradicate modern slavery within our business over the previous financial year, January to December 2022. The global pandemic did impact some of our planned activity over this period but our commitment to this issue remains as strong as ever.

The statement was approved by the directors and leadership team at Oliver Bonas.

Signed

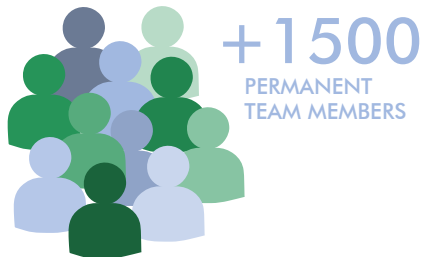
A handwritten signature in black ink that reads "Olly Tress". The signature is written in a cursive, flowing style.

Oliver Tress, Founder & Managing Director,  
Oliver Bonas Ltd, June 2023



Oliver Bonas is an independent British lifestyle store, which has grown from a single shop opened by our founder, Olly, in 1993 to a brand which designs a range of inspirational fashion and homeware, available in stores across the UK and Ireland and online.

Oliver Bonas has evolved from Olly bringing back interesting pieces from his travels abroad as gifts for his friends and family, into an ever-expanding brand developed by a creative team of designers and buyers who incorporate Olly's exploratory spirit into our own fashion and homeware collections.



Olly is still at OB, but we now employ over 1500 permanent team members (employees). We are a growing privately owned independent company, with over 80 stores across the UK and Ireland and a successful website.

At Oliver Bonas, we are committed to sourcing the highest quality products from a range of countries with diverse cultures and economies. We value long-standing trusting relationships with our suppliers and commit to working in a transparent and open manner from the very start.

### OUR SUPPLIERS FALL INTO FOUR CATEGORIES;



Our continued focus during 2022 has been on our own brand products. We are working much more closely with suppliers of these products on the design, materials and selection of factories. We therefore have the greatest level of control. Our own brand products made up 88% of our product range in 2022.



## OUR APPROACH & GOVERNANCE

We recognise that the Modern Slavery Act covers both our supply chain and our own business operations, so we have covered our approach to both in this statement.

Our ethical trade programme, which addresses modern slavery, is embedded in many different teams and departments at Oliver Bonas. Our Head of Ethical Sourcing and Sustainability oversees the governance of our ethical trade programme across all departments, including Ethical Trade, HR (People), Communications, Buying, Merchandising, Design, Technical and Quality Assurance.

The People Director is responsible for managing the risks for our own operations. Our Buying and Merchandising Director coordinates our efforts to tackle modern slavery across our supply chain. The whole leadership team have visibility of the ethical trade and modern slavery strategy and are responsible for signing-off this statement.

## OUR OWN OPERATIONS

At Oliver Bonas we have high standards and expectations regarding the treatment of all our team members.

We believe that everyone should be paid a fair and decent wage, which reflects the true cost of living. We are confident that our current wage rates achieve this through regular benchmarking.

Our current headcount is just over 1500 permanent team members, who are employed across 3 main business areas. Within our retail area we employ 70% of our overall workforce, 17% in our Support Office and 13% in our warehouse and distribution area.

During peak periods we employ large numbers of temporary team members within our Customer Services, Warehouse and Web Fulfilment teams. During our peak period of 2022 we employed an additional 383 temporary team members, 168 of which were recruited directly by Oliver Bonas Recruitment team and 215 through recruitment agencies.

## AUDITING OUR OPERATIONS

We undertook a voluntary social audit of our warehouse and distribution centre during 2022 and as a result reviewed our overtime policy, created a separate working time opt out agreement and enhanced our internal communication processes to implement the suggested improvements.

All of our people policies have been reviewed and updated during 2022 including our recruitment and whistleblowing policies that support our team members to identify and remediate any possible cases of modern slavery.

## RECRUITMENT PROCESSES

At the start of 2022 we implemented a new Applicant Tracking System 'Talent Funnel' to host all of our candidate applications. This system is now used for all of our right to work checks through Trust ID in addition to our reference checks.

Salaries are paid directly into bank accounts that are registered to the relevant team members. New team members must have a home address and authentic national insurance number.

We have reduced the number of agencies we work with to 5 as we recognise this is an area of increased risk and therefore impose high standards to protect these workers. When we do work with recruitment agencies, we ensure that we have a face-to-face meeting with them to discuss our values and the partnership and they have to sign our Agency Commitment Agreement which includes a commitment from the agency to tackle modern slavery. All agencies are members of the REC (Recruitment and Employment Confederation) and hold the GLAA (Gangmaster & Labour Abuse Authority) license. To support our continued focus on Equity, Diversity and Inclusion we published our 'Transparency Statement' to be explicit about our commitment to making positive change.

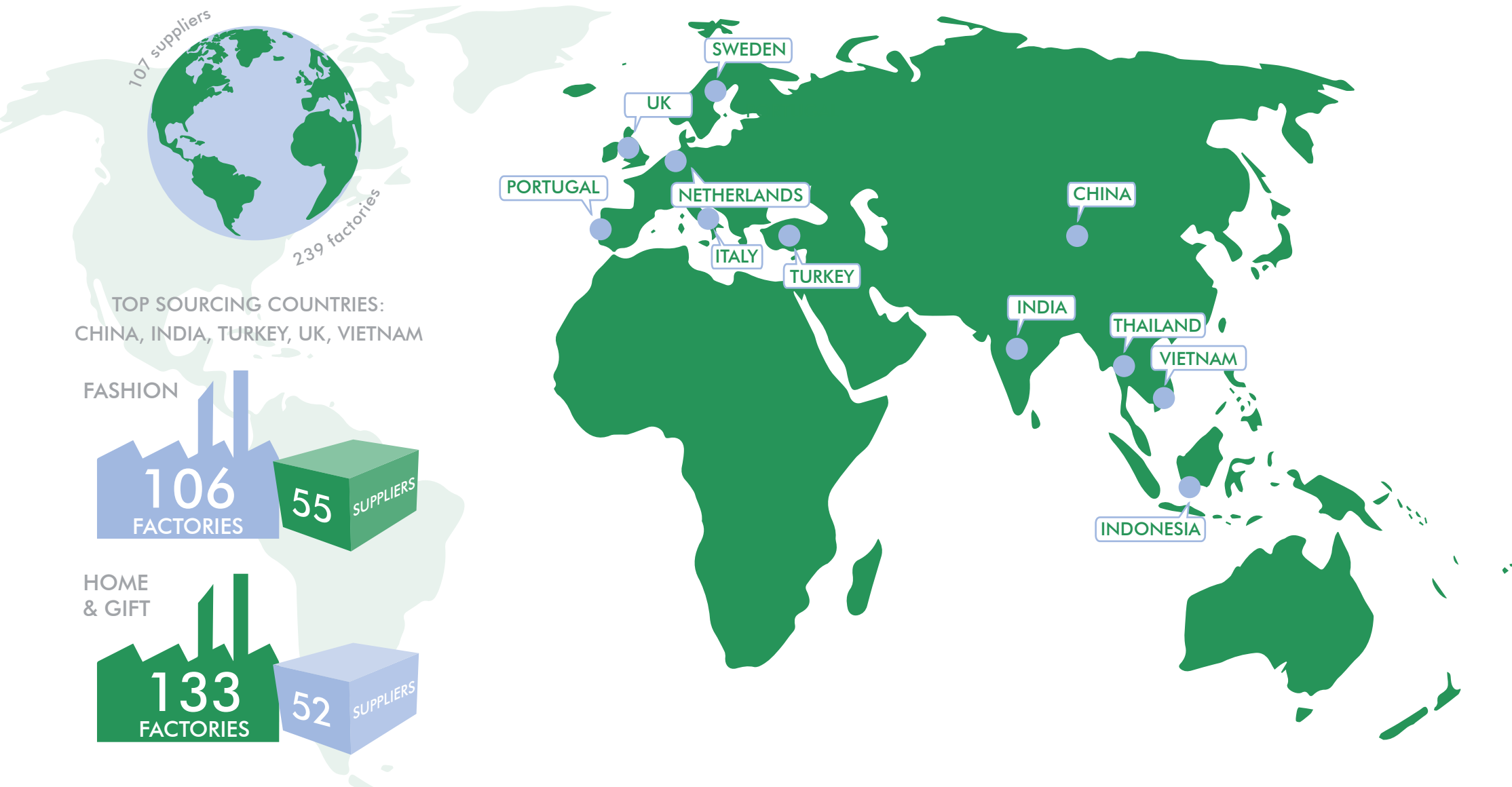
## TRAINING

We continue to invest in training and development for all of our team members across the business, with our in-house Learning and Development team delivering 65 separate sessions to 1558 attendees during 2022. We also updated our inclusion learning resources.

## OUR SUPPLY CHAIN

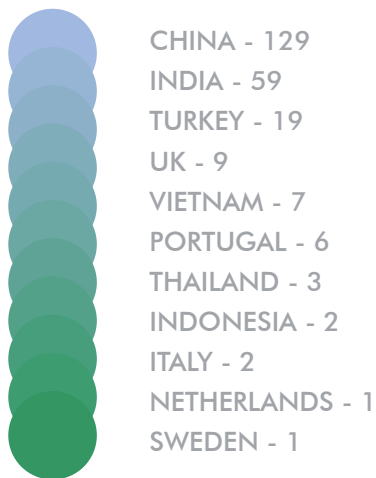
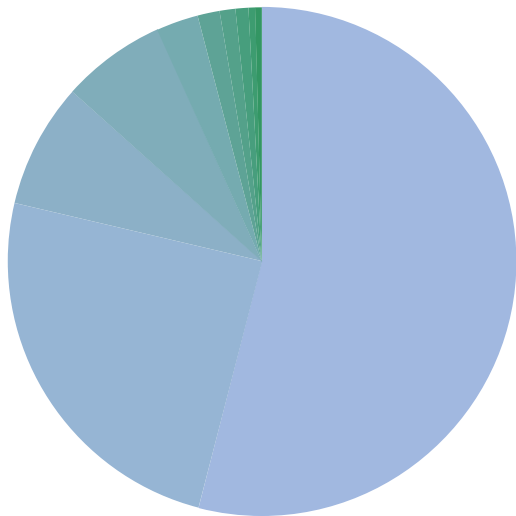
We had **107** suppliers in 2022,  
covering **239** factories across the world.

## COMBINED SUPPLIER MAP



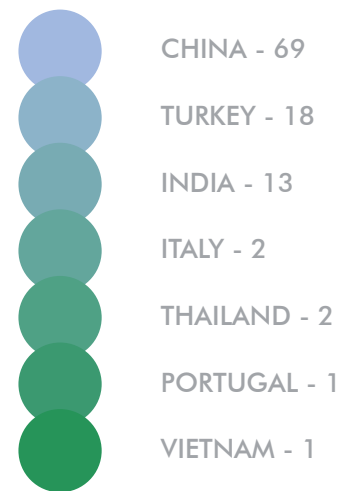
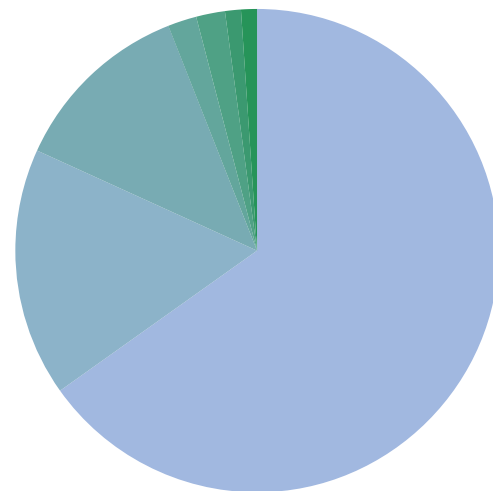
COMBINED COUNTRY DIVIDE

FACTORY DIVIDE



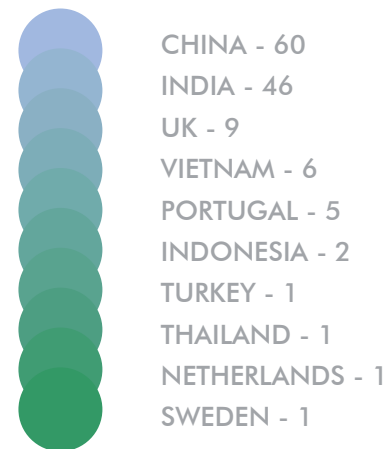
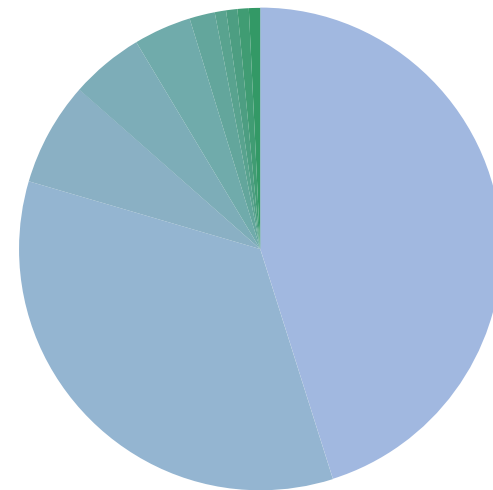
FASHION COUNTRY DIVIDE

FACTORY DIVIDE



HOME & GIFT COUNTRY DIVIDE

FACTORY DIVIDE



### POLICY & RISK ASSESSMENT

Oliver Bonas is committed to respecting labour rights in our supply chain activities. Our Supplier Code of Conduct (Code) details the minimum standards we expect from any suppliers used to manufacture Oliver Bonas own brand products. Our Code is based on the ETI Base Code covering the conventions of the International Labour Organisation (ILO) and is an internationally recognised code of labour practice.

This code outlines workers' fundamental rights and freedoms including the elimination of forced labour. We continually review this Code to ensure any new advancements are updated and communicated to our suppliers, we updated our Code of Conduct in 2022. In addition to these standards, suppliers must comply with all relevant local and national laws. If there is a conflict between national law and the Code, the supplier must adhere to the standard which provides the worker with the greatest protection.

We have communicated our requirement to our first-tier suppliers to ensure that they and their own suppliers implement these standards, as we recognise the risk of modern slavery to be greater further upstream of the supply chain. As we engage deeper in our supply chain, we will seek to learn more about the most effective ways to enable access to remedy, in addition to encouraging good grievance mechanisms.

We recognise the risk of modern slavery can appear anywhere in the supply chain but we understand it may be more likely in certain areas and scenarios. To address this, we have performed a risk assessment across our business to determine where we should be focussing our efforts. When assessing our suppliers, we investigate against certain criteria including geographical location, materials used, production process, our leverage/spend with the supplier, visibility of supply chain and the findings from their latest ethical audit. This will give a rating for all our suppliers of High, Medium, or Low risk which determines the priority and action to be taken.

### MONITORING AND AUDITING

At each stage of our supply chain, there are risks which need to be managed. We have started the process of mapping out the risks and use this to determine how suppliers fit into the monitoring and audit program. For all our medium and high-risk suppliers, we require that they complete an ethical audit at least every two years by an approved auditor.

Where our suppliers have already had an ethical audit completed at the request of another retailer, we are happy to use this to avoid the suppliers having to duplicate time and spend, if it meets our minimum requirements (reputable auditing company, approved framework, covers all the clauses in our Code). These audits will include site inspections, document reviews and interviews with workers in their local language to determine if employment is freely chosen.

Where issues are identified we will work with the supplier to resolve the issue over an agreed timeframe providing as much support and guidance as needed. We want to improve the working conditions for those in our supply chains rather than walk away from issues found.

### MODERN SLAVERY RISKS IDENTIFIED IN 2022

We continued our established factory monitoring program to assess working conditions and agree corrective action plans with factories. Identifying modern slavery via social audits is generally unlikely. There are limitations to the audit process, and these are very complex and hidden issues. That said, we continue to see the value in the audit program as an engagement tool and guideline for factories in ensuring they meet our Code of Conduct.

In 2022 we received an allegation that one of our suppliers in China was using an unauthorised factory for our production and that there could be a modern slavery risk there.

We contacted the other brands who we believed sourced from the supplier, to discuss the allegation and propose a collaborative approach. We arranged an unannounced PO verification audit with a local independent auditor, who visited the two declared sites with order lists and product images. Both sites were cooperative with the auditor and granted full access.

The auditor did not find any evidence of unauthorized sub-contracting or workers without required ID's and permits. They did identify other complex non-compliances including working hours exceeding the legal maximum and poor hourly record keeping for temporary workers. A corrective action plan was agreed with the site and since then they have established improved production record keeping and a digital attendance system to monitor working hours. They will be reaudited in 2023 to verify progress.

Working collaboratively with our suppliers is paramount to Oliver Bonas. We work on a continuous improvement basis with our suppliers and ask for transparency and co-operation in return.

## WHAT IS NOT KNOWN AND OUR PLAN TO MAP IT

### VISIBILITY OF OUR SUPPLY CHAINS

In 2021 we identified visibility beyond our tier 1 manufacturers as one of our salient risk areas. Having had an established tier 1 factory monitoring program for some time, our suppliers and primary manufacturers are familiar with social audits and our ethical Code of Conduct. Beyond tier 1 there is often fluidity, less stability and less exposure to working conditions assessments. In January 2022 we launched an extended Supply Chain Mapping program, to gather information of tiers 1-5, to enable us to work in a more informed way with suppliers to promote decent working conditions and identify areas of risk.

#### STEP 1

Adjustment to definitions of supply chain tiers, incorporating sub-contractors of primary processes into tier 1 and providing more clarity on where processes would sit. As a retailer with a very wide range of products, our supply chains come in all different shapes, to the right are some examples of our tier categorisations.

#### STEP 2

Establish a roadmap for the extended Supply Chain Mapping program, beyond tier 1. We rolled out the program in prioritized phases so we could support suppliers through the exercise, to gain as much visibility as we could. By year end we had mapped 56% of our fashion suppliers beyond the tier 1 we already had.

Some of our home and gift supply chains are less familiar with traditional factory monitoring programs. On homeware we often work with smaller and more artisanal producers, so our approach to mapping and monitoring is tailored to the workplace and how we can support suppliers in implementing our Code of Conduct in sites where a standard social audit is not the best approach.

#### STEP 3

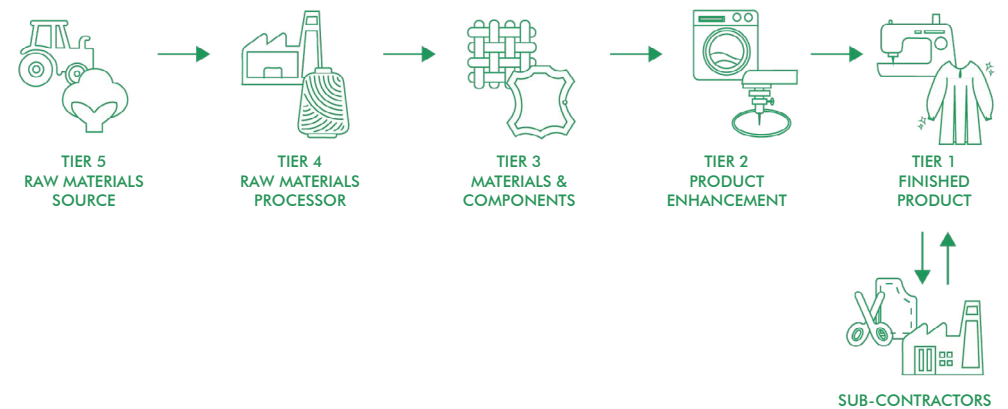
Extension of the factory monitoring program. To gain better visibility of working conditions in our supply chain, we extended our monitoring program to include redefined tier 1 sub-contractors and tier 2 secondary processors for our fashion suppliers. This was implemented for new supplier set-ups and those who have completed the Supply Chain Mapping, with a grace period of 6 months for sites to action. Implementation of our ethical Code of Conduct down into the supply chain is a shared responsibility with our suppliers/agents and we hope to avoid duplication by reviewing existing audits or assessments first.

#### STEP 4

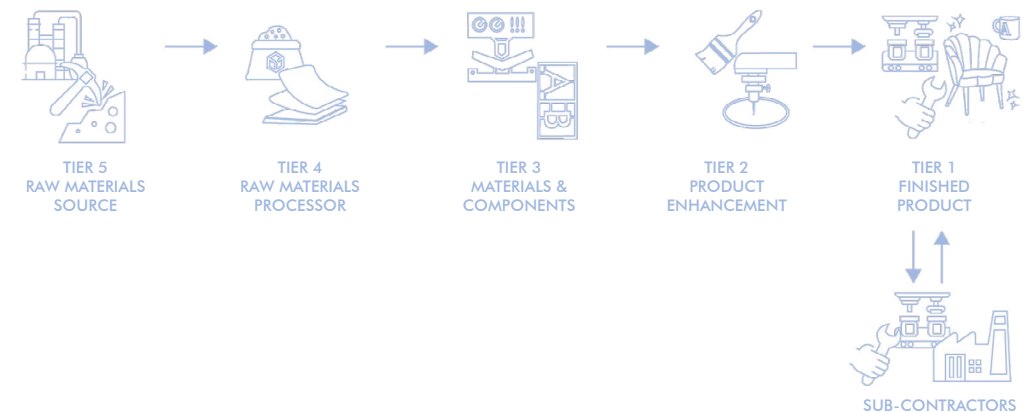
Remediation. Whilst suppliers work through their corrective action plans, we are reviewing the findings to identify where further support is needed.

### SOME EXAMPLE SUPPLY CHAIN MAPS

#### CLOTHING SUPPLY CHAIN



#### FURNITURE & HARD GOODS SUPPLY CHAIN





### TRANSPARENCY

Working collaboratively is ingrained in how we operate, both at Oliver Bonas and with our suppliers. By working in partnership with other like-minded organisations we aim to achieve a greater impact. To enable industry collaboration and drive continuous improvements in our supply chains, we published our Tier 1 factory list on our website in December 2022.

### SUPPLIERS GUIDE TO WORKING WITH OB

To support our suppliers and streamline communication, we developed a new supplier portal, to update and take all the information in our Supplier Manuals online and add a range of new resources on product, packaging, shipping, trading with OB and worker welfare. The ambition of the portal is to empower suppliers to get it right first time and give them access to resources/further reading on difficult and complex issues.

Worker welfare resources look at key topics relating to modern slavery and include updates to our ethical Code of Conduct, enhanced transparency of production, child labour policy, foreign migrant policy, homeworker policy and tool-kit, strike protocol/freedom of association policies and a new policy on anti-slavery and human trafficking. Suppliers will review and accept the policies online.

### SUPPLIER SURVEY

Asking suppliers to uphold high ethical standards and worker welfare is important, but it will only be possible if we do our bit and maintain responsible and collaborative trading relationships. We understand the impact our purchasing practices have on our suppliers and their workforce, so we asked our suppliers to complete an independent supplier survey to understand what it is like working with OB.

The Better Buying Partnership Index™ survey provides a consistent way to measure the impact of brands' purchasing practices on production and creates a space for meaningful, two-way dialogue on the topic.

The anonymized results benchmarked OB above the soft goods industry average on every question, which was reassuring. It also helped identify areas for improvement, like suppliers wanting more orders and better forecasting. Buying and merchandising teams will use the results to develop an action plan that we can share with suppliers and hope to improve scores further in future.

### COTTON SOURCING

There are ongoing concerns around the use of government-sponsored forced and child labour in Uzbekistan, Turkmenistan, and Xinjiang, Uygur Autonomous Region in China. Whilst we do not source much cotton from China, we recognise this poses our most significant modern slavery risk. Oliver Bonas has banned the use of cotton from Turkmenistan, Uzbekistan and Xinjiang, China. This is outlined in our Cotton Sourcing Policy, which was updated in 2021 and sent to all suppliers for their agreement.



Following the UK Government's announcement of the measures put in place to ensure that British organisations are not complicit in, nor profiting from, the human rights violations in Xinjiang, China, we have put an increased focus on examining our supply chain in this region. We do not directly source any products or materials from Xinjiang and have carried out further mapping work to understand the risk beyond Tier 1. Suppliers of cotton products are also required to declare the country/region of origin of any cotton used in OB branded products.

In addition to this we have been working with the Ethical Trading Initiative (ETI), British Retail Consortium (BRC) other retailers, trade unions and NGOs to try to understand and address the growing concerns.

## COLLABORATION

As part of our commitment to strive to do business in a way that has integrity, is ethical and does not negatively impact others or the environment, we believe that organisations cannot achieve their goals alone. We are committed to working with other like-minded organisations to achieve greater scale, change and impact.

We continue to be full members of the Ethical Trading Initiative (ETI) which is a leading alliance of companies, trade unions and NGOs that promotes respect for workers' rights around the globe. We are an active member, working closely with other members on projects aimed at tackling key ethical trade issues and high-risk areas.

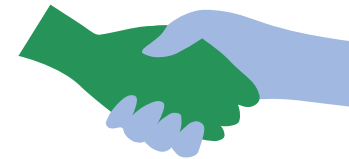


We are also members of Sedex, a collaborative platform for sharing responsible sourcing data on supply chains. We joined with the aim to reduce the administrative burden on our suppliers and after some initial research found Sedex was the most used platform within our supply base. The system allows us to view ethical audits, track corrective action progress and verification status, risk assess supplier self-assessment questionnaires using sophisticated risk model data and view workforce details such as employment type and gender breakdowns.



We work collaboratively with a range of other retailers and brands through the British Retail Consortium (BRC). We are an active supporter of the BRC Climate Roadmap to Net Zero by 2040 and attend multiple working groups including one centred around ethical labour.

In addition to these formal industry initiatives, we also meet regularly with a range of peer retailers and brands in an informal setting, to discuss shared challenges and good practice on ethical sourcing and sustainability, and on a more direct basis should a query or concern arise on a shared supplier. By working collaboratively and transparently, we increase our leverage for change and share insight with our peers.



## TRAINING

We run an ethical trading training programme for all our team members, regardless of their position at OB. All current employees will read our Introduction to ethical trade available through our online learning platform, Looop, which is included in our new employee induction process.

## INTERNAL ENGAGEMENT

Ethical sourcing is not something for the Ethical Sourcing team alone. We continue to embed ethical sourcing and sustainability in how we do business. In 2022 we increased engagement with our product and supplier facing teams with adjusted factory set-up and monitoring processes, more regular meetings and training and company-wide updates on our program, to keep it front of mind and as a shared responsibility.

## MONITORING PROGRESS

At Oliver Bonas we are eager to continuously enhance and extend our ethical trading approach. A crucial part of that is ensuring we are working with the relevant stakeholders to tackle the global issue of modern slavery. Our modern slavery processes will continue to develop as we learn more from suppliers, other retailers, NGOs and multi-stakeholder initiatives such as the ETI. In order to assess the effectiveness of the actions we are taking; progress is measured using the following key performance indicators (KPIs)

KPIs*	ACHIEVED IN 2019	ACHIEVED IN 2020	ACHIEVED IN 2021	2022 PROGRESS
ANY FORCED LABOUR NON-COMPLIANCES FOUND IN AUDITS AND ACTIONS TAKEN IN RESPONSE	Continued auditing of high risk suppliers.  No identified non-compliances on forced labour in 2019.	Continued auditing of high risk suppliers.  No identified non-compliances on forced labour in 2020	Extended audit program to begin incorporating medium risk and tier 2 facilities.  Introduced in-depth self-assessment tool for sites where the standard audit methodology is not appropriate  No forced labour non-compliances identified in 2021	Continued auditing of high and medium risk suppliers. No identified non-compliances on forced labour in 2022
NUMBER OF SUPPLIERS SIGNED UP TO OUR SUPPLIER CODE OF CONDUCT	All existing own brand suppliers have signed our Supplier Code of Conduct.  All recruitment agents signed Supplier Code of Conduct (100%)  All major logistics & haulage partners signed Supplier Code of Conduct (100%)	All existing and new own brand suppliers have signed our Supplier Code of Conduct (100%)  All recruitment agents signed our Supplier Code of Conduct (100%) and are members of the REC  All major logistics & haulage partners signed Supplier Code of Conduct (100%)	Maintained compliance to 100% of new suppliers onboarded.	Maintained compliance to 100% of new suppliers onboarded.
NUMBER OF RELEVANT STAFF TRAINED	80% of all store managers  100% of Buying & Merchandising Team	The pandemic prevented any face to face training with OB team members in 2020. However, our Induction Resources were updated so all new team members, regardless of role, were training on our Ethical Trade and Modern Slavery standards.	As last year, all new employees trained via Looop learning portal. All training resources are mandatory for new joiners.	We continue to train new employees via Looop, our online learning portal.
NUMBER OF HIGH-RISK SUPPLIER AUDITED	88% of High Risk Audits completed	HOME & GIFT 15 of 58 High Risk Suppliers completed audits in 2020. All others were completed in 2019. None of these were virtual audits. Only 2 high risk suppliers on the Home & Gift supply chain have outstanding audits. These have been difficult to complete due to local and national lockdowns. Audits in Thailand are not currently possible.  FASHION 6 of 11 High Risk Suppliers completed audits in 2020. All others had audits in Q2 2019. Improvement journeys continue with one supplier. And one outstanding audit is in Thailand where audits are not currently possible.	During 2021 we changed our risk model and tier definitions. We are now working towards all Tier 1 and 2 sites having some form of social assessment (audit, visit or in-depth self-assessment)  FASHION 100 Tier 1 sites 98 Assessed in 2020/21 2 sites awaiting assessment  HOME & GIFT 112 Tier 1 sites 90 Assessed in 2020/21 22 sites awaiting assessment	FASHION 106 Tier 1 sites 102 Assessed in 2021/22 4 sites awaiting assessment  HOME & GIFT 133 Tier 1 sites 123 Assessed in 2021/22 10 sites awaiting assessment
STEPS TAKEN TO EDUCATE AND TRAIN OUR HIGH-RISK SUPPLIERS	Focussed Modern Slavery training for India & Chinese suppliers	Given the pandemic, our focus was on two key issues: Health & Safety: ensuring that all suppliers were keeping team members protected and had covid-secure policies in place. Extensive information was provided to all suppliers and we received images and videos from factories of processes in place. Wages: ensuring all our suppliers paid their workers their due wages.	The pandemic continued to impact on our supply chain this year. These are still areas of focus for us. The new online resources developed in 2021 are designed to support and educate suppliers thorough practical guidance.	Our new supplier portal contains new policies, guidance and tool-kits on a number of sensitive and complex worker issues. Suppliers can access resources and links to further guidance online. This includes a dedicated Modern Slavery policy. Our ethical sourcing team make contact with any high risk suppliers to establish a remedial plan.

\*see previous years MSA for achieved in 2018