

OLIVER BONAS

# MODERN SLAVERY STATEMENT

## 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. As a design-led British retailer, we strive to do business in a way that has integrity, is ethical and doesn’t negatively impact others or the environment.

In 2015, the UK Government passed into law the Modern Slavery Act; we welcome this piece of legislation and recognise we have a responsibility to prevent modern slavery and human trafficking throughout our organisation and in our supply chain.

Our third statement, published in June 2019, highlights the progress we have made to identify and eradicate Modern Slavery within our business over the previous financial year.

The statement was approved by the board of directors.

Signed

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

Oliver Tress- Founder & Managing Director,  
Oliver Bonas Ltd, June 2019

## BUSINESS & SUPPLY CHAIN OVERVIEW

Oliver Bonas is an independent British lifestyle store, designing our own take on fashion and homeware. Established in 1993 by founder and Managing Director Oliver Tress, Oliver Bonas has evolved from Olly bringing back interesting pieces from his travels abroad, into an ever-expanding team of creative individuals.

Over two decades on, Oliver Bonas has evolved from curating others' designs to creating our own. Today, Olly is still at OB, but Oliver Bonas now employs over 1,000 members of staff. We are a growing privately owned independent company, with 79 stores across London and the UK.

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

Our suppliers fall into four categories;



Our continued focus has been on our own brand products. For these products we are working much closer with suppliers on the design, materials and selection of factories as here is where we have the greatest level of control.

## OUR OWN BRAND PRODUCTS ARE BEING SOURCED FROM:



Our top 5 sourcing countries continue to be China, India, UK, Portugal and Turkey.

## OUR APPROACH & GOVERNANCE

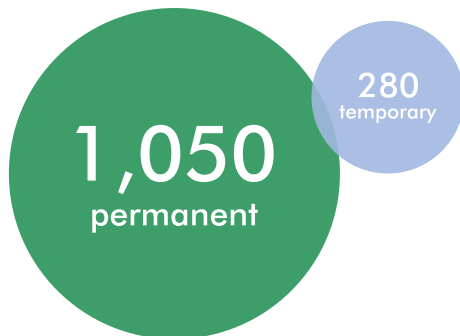
We recognise that this Act covers both our supply chain and our own business operations so we have covered our approach to both in the following pages.

Our ethical trade programme, which addresses Modern Slavery, consults a number of departments within Oliver Bonas including HR, Ethical Trade, Buying, Merchandising, Design and Quality. The HR Director is responsible for managing the risks for our own operations and our Ethical Trading Manager coordinates our efforts to tackle modern slavery across our supply chain. The leadership team have visibility of the ethical trade and modern slavery strategy and are responsible for the sign off of this statement.

## OUR OWN OPERATIONS

At Oliver Bonas we have very high standards in regards to how our employees are treated. We believe that everyone should be paid a fair and decent wage, which reflects the true cost living. We are confident that our current wage rates achieve this in the absence of formal accreditation.

We currently employ 1,050 permanent employees, but during the busy Christmas period (2018) we employed a further 280 temporary employees across our Stores, Warehouse and Web Fulfilment. We recognise temporary labour as an area of increased risk especially when using recruitment agencies and so this continues to be a focus area for us.



## POLICIES

For our direct operations, we have sought to create a policy framework that both supports employees to identify and remediate any possible cases of modern slavery. In our previous statements, we shared details of our [recruitment policy](#) and [whistleblowing policy](#). Our policies are continuously reviewed to make sure they continue to be relevant.

## RECRUITMENT PROCESSES

### DUE DILIGENCE

Our Recruitment team will carry out direct recruitment wherever possible. There are a number of checks that are conducted as part of the recruitment process and these include ensuring all perspective employees have the correct right to work documents, checking and making a copy of passport/ID and checking references from previous employment. When paying wages, we will always pay direct to bank accounts, never cash in hand, and ensure all employees have an authentic National Insurance Number and home address.

When we do work with recruitment agencies we only partner with trustworthy, preferred suppliers in which we have developed long-standing relationships. All our recruitment agencies have signed our Agency Commitment Agreement. This document details the commitments we expect the agencies to agree to in relation to their efforts to tackle modern slavery. The commitments are detailed in our [2016 MSA statement](#).

## TRAINING

We have continued to train Oliver Bonas managers who are responsible for recruiting, in line with the Stronger Together framework. This includes all central HR personnel who work in recruitment as well as store managers who manage their own recruitment processes. During 2018, we ran three workshops to train our store managers.

## OUR SUPPLY CHAIN

### POLICY & RISK ASSESSMENT

[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.

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 that they ensure their own suppliers implement these standards as we recognise the risk of Modern Slavery to be greater further down the supply chains. 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 and 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 look into a range of criteria including geographical location, materials used, production process, our leverage with the supplier, visibility of supply chain etc. This will give a rating for all our suppliers of High, Medium or Low risk which determines the action and priorities to be taken. We re-run this risk assessment twice a year.

## DUE DILIGENCE

### MONITORING AND AUDITING

For all our 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). We have partnered with Elevate to encourage high standards of social auditing and enable suppliers to access this at a discounted rate. 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 ultimately want to improve the working conditions for those in our supply chains rather than walk away from issues found. As a last resort, if no progress is made over the agreed time period, we may make the decision to seek alternative sources of supply.

### SUB-CONTRACTING – METAL SUPPLY CHAINS IN MORADABAD, INDIA

We recognise undisclosed sub-contracting, where approved suppliers send our products to be manufactured elsewhere, is a potential high-risk area for worker exploitation due to the hidden nature of this practice. In 2018, we have been investigating deeper into our supply chains to map sub-contractors in our metal supply chains in Moradabad, India. We are now designing a programme with other retailers, our suppliers and Traidcraft to improve health and safety conditions, improve transparency on worker profile and wages, and support access to social security entitlements. We look forward to providing detail on this project in our 2019 statement.



## COLLABORATION

We are a foundation stage member 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 and we have just submitted our application to become a full member of ETI. We are an active member, working closely with other members to work in partnership on projects aimed at tackling key ethical trade issues and high-risk areas. We are excited to be a member of the ETI's Modern Slavery working group. This initiative works to tackle the following themes: remedy and compensation; vulnerable workers; recruitment; and data/information beyond audits.

We are also members of Sedex, which is 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 commonly used platform within our supply base. The system allows us to track any ethical audits our suppliers have already obtained and gives further visibility in factory and workforce details.

## TRAINING

We run an Ethical Trading training programme for employees. All current employees will read our Introduction to Ethical Trade, which will also be included in new employee induction process. More specific training for both employees and suppliers was our focus for 2018. We have detailed three examples of this below:

### Employee Training – Responsible Purchasing Practices

The buying & merchandising team recently received a targeted training session relating to ethical purchasing practices. We have always valued long-term relationships with suppliers and are pleased that a number of our original suppliers have developed and grown with us over the last 20+ years. However, we are aware that certain types of purchasing practices can increase the risk of Modern Slavery (such as sudden changes of workload) so we developed this course alongside the Ethical Trading Initiative to ensure that buyers understand their impacts and responsibilities with suppliers and how to reduce this risk.

“Responsible purchasing means purchasing in a way that enables positive change at the supplier level, so that every part of the supply chain benefits. It requires a trusting, direct and honest relationship where both parties are able to negotiate and share risks equally, and a purchaser who is committed to supporting human rights within the supply base.” Traidcraft

The training for the buying team focused on how they can create positive change in their supply chains by:

Sharing responsibility and risk.

Building a deeper understanding of production.

Forging a constructive, ongoing dialogue with suppliers.

Making labour standards and other ethical criteria a core part of buying negotiations.

### SUPPLIER TRAINING - CHINA

‘Prevention of involuntary work by scaling up awareness modern slavery and recruitment practices in Chinese supply chains through new digital technology’

In order to work towards tackling involuntary work, we partnered with ETI and QuizRR to develop a pilot management training on the issue of modern slavery. Companies have found that focusing their efforts on awareness raising for both management and workers is a more sustainable option than continuing the auditing cycle. Despite the focus on the issue, there remains confusion as to what modern slavery is, how to identify it, and what actions and remediation steps to take once it has been identified.

The digital training tool combines short film clips followed by quiz questions to ensure knowledge can be learned and applied from the factory floor on up the supply chain. Aimed at all levels of management, the initial pilot solution outlines the preventive measures factories can take to avoid the serious consequences of modern slavery for workers and for the business.

We chose one high-risk supplier in the Guangdong region of China to pilot this training with. This way of learning is great for factories as it is scalable, transparent and has measurable results. We plan to roll this out to other high-risk factories in China later this year.

## 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-stakeholders initiatives such as the ETI.

In order to assess the effectiveness of the actions we are taking, progress will be measured using the following key performance indicators (KPIs) and we will report on these in future Modern Slavery statements.

| KPIs  | ACHIEVED IN 2017   | ACHIEVED IN 2018   | 2019 PLANNED ACTION   |
|---|--|--|---|
| ANY FORCED LABOUR NON-COMPLIANCES FOUND IN AUDITS AND ACTIONS TAKEN IN RESPONSE | <p>1 identified non-compliance in a factory in the UK.</p> <p>There was insufficient evidence of a process to conduct right to work checks for temporary workers identified through audit. The supplier worked to remediate and raise awareness.</p> <p>At the next audit, it was confirmed that the factory had established robust right to work check for all temporary workers.</p> | Continued auditing of high risk suppliers. No identified non-compliances on forced labour in 2018.   | <p>Continue audit cycle to identify issues</p> <p>Continue to work with suppliers to remediate/ tackle non compliance</p>               |
| NUMBER OF SUPPLIERS SIGNED UP TO OUR SUPPLIER CODE OF CONDUCT                   | <p>All existing own brand suppliers and signed Supplier Code of Conduct (95%)</p> <p>All recruitment agents signed Supplier Code of Conduct (100%)</p> <p>Five major logistics partners signed Supplier Code of Conduct</p>  | <p>All existing own brand suppliers have signed our Supplier Code of Conduct.</p> <p>All recruitment agents signed Supplier Code of Conduct (100%)</p> <p>Five major logistics partners signed Supplier Code of Conduct</p>  | Ensure all new own brand suppliers sign our Supplier Code of Conduct and will cascade this process down the supply chain based on risk. |
| NUMBER OF RELEVANT STAFF TRAINED  | <p>100% HR recruitment (central)</p> <p>12 store managers trained (17%)</p> <p>Buying and merchandising (50%)</p>  | <p>100% HR recruitment (central)</p> <p>42 store managers trained (59%)</p> <p>Buying and merchandising (80%)</p>  | <p>75% of store managers trained.</p> <p>100% buying and merchandising trained</p>  |
| NUMBER OF HIGH-RISK SUPPLIER AUDITED  | Audit rate is currently at 65%   | 42 store managers trained (59%)  | Aiming for 85% by the end of 2019   |
| STEPS TAKEN TO EDUCATE AND TRAIN OUR HIGH-RISK SUPPLIERS                        | Audit non-conformances such as working hours are frequently discussed with suppliers. Where suppliers use recruitment agents for temporary staff, we advise them on ethical standards of recruitment to mitigate risks of modern slavery further down our supply chain.  | <p>Developed a training programme for high risk suppliers / countries – this year has focused on China and Turkey.</p> <p>We have also developed a toolkit for our high-risk India suppliers which has been distributed.</p> | <p>Extend the China digital training to more of our suppliers.</p> <p>Run the Turkey workshop on Syrian Refugees in summer 2019.</p>    |