OUR COMMITMENT

Warehouse is a boutique brand with long standing business partners, including suppliers who manufacture overseas. We place high value on the human rights of those working either for us directly or indirectly through our agents, factory base and third-party business partners.

We recognise that business can positively influence human rights and commit to use our leverage (where it may be needed) to prevent infringements of such rights. This is our third statement on Modern Slavery. Earlier versions can be accessed here.

The Modern Slavery Act 2015 requires companies to ensure there are no forms of modern slavery within their own operations or supply chain. The following statement sets out progressive steps we have either taken or plan to take to ensure we comply with the Act.

We recognise that our customers expect Warehouse to be aware of and proactive about this issue, so they can continue to confidently shop with us. We will strive to continuously review and improve the work we do in this area with a long term approach.

I confirm that this Modern Slavery Act statement has been approved by the Board.

Signed by

Paula Stewart
Managing Director, Warehouse
OUR CORE SUPPLY CHAIN

Warehouse employs 1,008 people across our retail portfolio and head office. We operate through standalone stores, concessions, franchise partners and online through our own website, wholesale and third-party websites.

Our supply base comprises 49 suppliers that use approximately 123 factories, which are mainly based in the following countries: China, India, Vietnam, Turkey, Bulgaria and Sri Lanka. As a business, Warehouse has long recognised the mutual benefits of longevity of supplier relationships. To illustrate this, approximately 80% of our production comes from our top 10 suppliers, 6 of whom have worked with us for over 10 years, and in some cases have been partners for over 20 years.

DEFINING MODERN SLAVERY

Our definition of Modern Slavery is derived from the UN Guiding Principles on Human Rights: ‘Modern Slavery involves one person depriving another of their liberty in order to exploit them for personal or commercial gain’.

OUR POLICIES IN RELATION TO MODERN SLAVERY

To create sustainable change, we have a robust framework of policy development. We review our position, standards and processes as and when needed, such as when there are changes in regulation or the political environments of sourcing countries.

In 2018 following a cross-functional gap analysis of our due diligence efforts involving CSR, HR, Legal and input from our Chief Executive, we identified areas that we needed to strengthen in relation to some business partners. Therefore this year we extended the scope of our Forced Labour and Human Trafficking policy to cover all business partners (previously this applied to clothing and accessories suppliers only). The policy now applies to all suppliers who are required to know our standards, particularly in relation to the recruitment of migrant workers, and to take steps to ensure they adhere to our policy.

Last year we reported that we had revised our cotton policy country ban to include Turkmenistan as well as Uzbekistan. We have been following International Labour Organisation (ILO) developments in relation to the situation in Uzbekistan including its conclusion that child labour has been abolished. We note further progress has been made to eliminate forced labour. We welcome these developments and our ban will be lifted after robust and independent verification confirms there is no forced labour. Regrettably, Turkmenistan does not appear to have made similar strides forward.

Following internal identification that further due diligence was needed at the point of raising orders with suppliers to ensure we are not unwittingly procuring cotton from either country we now require suppliers to state on our product technical platform the country of origin of raw material used in each style that contains cotton.

As in previous years, listed below are our policies pertinent to modern slavery.

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WAREHOUSE.

MODERN SLAVERY ACT STATEMENT
2018 - 2019

POLICIES

WAREHOUSE’S CODE OF CONDUCT
The cornerstone of our ethical trading strategy is our Code of Conduct. Adopted over 10 years ago, it is based on laws defined by the ILO and prohibits forced and bonded labour.

WAREHOUSE’S FORCED LABOUR AND HUMAN TRAFFICKING POLICY
Developed in 2017 with the expertise of human rights specialists and NGO, Vérité, this policy addresses the specific risks and vulnerabilities of domestic and migrant workers who may unwittingly find themselves in a situation of forced labour in their efforts to obtain work. The policy covers all business partners and non-trade suppliers, including our franchise, wholesale and licensing partners.

WAREHOUSE’S COTTON POLICY
We have banned cotton from both Uzbekistan and Turkmenistan due to concerns about forced labour.

WAREHOUSE’S ANTI-BRIBERY POLICY
This applies to all employees, managers and directors, as well as contractors, agents, suppliers and other third-parties. Warehouse is committed to the highest standards of ethical conduct and integrity in its business activities in the UK and overseas.

WAREHOUSE’S EQUAL OPPORTUNITIES POLICY
This underpins respect for diversity within our organisation. Our employment policies and practices are intended to be fair and equitable in order that we build a culture that values openness, fairness and transparency.

WHISTLE BLOWING POLICY
There is a formal whistle blowing procedure in place to report incidents where employees have reason to believe there is an apparent or possible violation of law or company policy including instances of modern slavery or human trafficking.

UNDERSTANDING OUR RISKS
Despite long-standing relationships with many of our global clothing and accessories supply chain we have identified that this is the most at risk from exposure to human rights abuse. This is for several reasons including geography, sector and, in some cases labour shortages. Our first-tier supply chain is mapped on an ongoing basis and this gives us visibility of this stage of production. Main sites are geographically located as follows: China 51%; India 14%; Vietnam 11% and Turkey 8%. As previously reported, we are also mapping our cotton supply chain beyond the first tier of production using a supplier questionnaire. The aim is to have full transparency down to country of origin of raw materials. Added to this, this year we will include more up-to-date information from suppliers about each product that contains cotton. The cotton supply chain is typically from Turkey, China and India.
Our audit programme, which has been in place for a number of years, is a key measure of supplier compliance. The audit examines contract terms and personnel files, as well as wider procedures related to recruitment and termination of employment. Assessments can determine if there are practices that could constitute or lead to forced labour. We use a range of different tools, including internal audits in China performed by our ethical trading team, third-party assessments commissioned from a limited number of labour specialists and independent audits that are shared through the SEDEX platform.

All first-tier manufacturing sites have been audited with the vast majority audited every year.

We are undertaking a major due diligence exercise of all suppliers (including trade and non-trade suppliers) who are required to set out to us how forced labour and human trafficking risks in their business are addressed. This looks at their policies, implementation, outsourcing and overall effectiveness. The results are then analysed based on business sector, geography, number of employees, policies and management systems. The results are being compiled onto a risk register and each business is risk rated as red (high risk), amber (medium risk) and green (low risk). We are in the process of collating and analysing results with the aim being to conduct deep dive assessments of red suppliers to ensure mitigation takes place. We will report more fully on the results on this in future statements.

**HOW IS MODERN SLAVERY REPORTED?**
Bi-annual meetings are held with the board of directors where we report on the ethical status of our key suppliers and discuss necessary actions to mitigate risks.

**TRAINING AND CAPACITY BUILDING**
At Warehouse we have an internal ethical team who work continuously with our suppliers and head office teams to equip them with the skills and knowledge to achieve ongoing progress. Going forward we will be extending modern slavery training to senior teams within all business departments.

**SUPPLIER TRAINING WORKSHOP IN TURKEY**
In April 2019, key Turkish suppliers attended a training workshop regarding Syrian refugees. It has been reported by a number of organisations that many refugees in Turkey work in the garment industry, particularly in lower tiers of the supply base. The training was provided by United Works, a Turkish human rights NGO and held in Istanbul. This event included suppliers from multiple high-street brands and was an opportunity for Turkish suppliers to collectively learn more about the situation of vulnerable workers and how to take legal steps to support them. We fully support the rights of refugee workers to fair and equal treatment and quality employment.

We look forward to sharing with our stakeholders our developments and progress in the area of modern slavery in future statements.