



## DAMARTEX UK LIMITED MODERN SLAVERY STATEMENT 2019/2020

This statement has been published by Damartex UK Limited and has been developed in accordance with the Modern Slavery Act (“MSA”) 2015. It sets out the steps taken we have taken in the financial period of 2019-20 to prevent modern slavery and human trafficking within our business and supply chain.

Modern slavery continues to be a growing global and economic issue. We believe it’s unacceptable within our business and our supply chain. That’s why we’re dedicated to championing human rights, so we can challenge, identify and address modern slavery.

We’re confident from the steps we’ve taken over the past 4 years, that we’ve made progress to mitigate the risk of modern slavery within our business and supply chain. For us, this is an ongoing process and we’ll remain committed to supporting the eradication of this crime in our industry.

### ABOUT DAMARTEX UK LIMITED

#### 1 ORGANISATION STRUCTURE AND SUPPLY CHAINS

Damartex UK Limited is a subsidiary of the Damartex SA group of companies which is a multi-channel European business. The Damartex SA group predominantly develops and distributes quality clothing and accessories for seniors as well as home and lifestyle products.

### THE DAMARTEX GROUP COVERS THREE SECTORS

#### Fashion brands



#### Home & Lifestyle companies



#### Healthcare:



Our own brand and third party branded products are sold in the UK through online shopping and our catalogue, through postal and telephone orders. Over 600 skilled employees work across our UK head office in Bingley and our distribution centre in Steeton, both in West Yorkshire.

## OUR SUPPLY BASE COMPRISES 3 CATEGORIES

- 1 Internationally sourced products - clothing & footwear. We share much of this supply chain with our parent group with over 260 suppliers.
- 2 Our UK based sourced products – gift incentives and household goods. We have nearly 70 active suppliers, a majority of which are agents who source on our behalf.
- 3 Damartex UK Limited also has several suppliers of goods and services not for retail.

## 2 POLICIES IN RELATION TO SLAVERY AND HUMAN TRAFFICKING

The company is committed to delivering best practice in human rights and employment rights. We also demonstrate a high respect for the environment and fully support the fight against corruption in every part of the business, including our supply chain, as part of our responsible purchasing approach.

In this context and within the framework of our purchasing policy, we require that our suppliers comply with our Responsible Purchasing Sustainable Procurement Charter. An essential condition for our suppliers, without whom we could not enter into contracts.

The supplier guarantees compliance with this Charter, regarding the supply, manufacturing and transportation of raw materials and products on its own behalf and on behalf of its suppliers and subcontractors. Before placing orders with its own suppliers, or subcontractors, for products intended for the company, the supplier must ensure that the Charter can be adhered to from all parties.

By agreeing to work with us, the supplier acknowledges its social and environmental responsibilities and commits to complying with the principles set out according to the International Labour Organisation, the 10 principles of the United Nations Global Compact and national laws in the sustainable procurement charter including:

- The prohibition of forced labour and slavery
- The prohibition of child labour
- Trafficking in human beings (Modern Slavery Act)
- Compliance with decent working conditions
- Respect for the environment

### Whistleblowing

In 2019 we introduced a new whistleblowing platform called “Transparency”. It is designed to offer colleagues, workers, contractors and third parties a confidential way to raise issues of concern. We’ve also reviewed all aspects of reporting suspected incidents, to make the entire process easier and more accessible. Transparency is there to help raise awareness and report any actions that appear detrimental to the ethics or integrity of a person or group.

In 2020 we refreshed our online learning modules for both Inclusion & Diversity, and Modern Slavery within our internal e-learning system. Our colleagues have received refresher training with an emphasis on reporting. Both are designed to promote and encourage our business ethics. This includes our Transparency platform and how to use it.

### Policies

We’ve updated the following policies to reflect our commitment to tackling modern slavery within our business and supply chain. We recognise this is a journey and our policies will be reviewed annually to ensure that they reflect our culture and commitment from the business as we progress.

- Business Code of Conduct
- Public Interest Disclosure (Whistleblowing)
- Recruitment Policy

### **3 DUE DILIGENCE PROCESSES**

The UK company, and wider group, ambition is to have 100% of the products in our range coming from audited factories. The current level of audited factories has increased +10% on the year despite the unfavourable impact of the Covid-19 health crisis.

We've focused our due diligence on high risk areas of our international product supply chain. Along the way, our new supplier process has been updated. For us, it's vital that we visit new suppliers before any orders are placed to make sure our standards are met. Factories are also audited by a third party auditing company, according to the Initiative for Compliance and Sustainability ("ICS") standards if a valid audit isn't already in place. As the process is on-going, we regularly conduct follow up audits to make sure standards are maintained. Since joining the ICS, factories are assessed on the following criteria:

- 1** Management system, transparency and traceability
- 2** Minimum age, child labour and young workers
- 3** Forced labour
- 4** Discrimination
- 5** Disciplinary practices, harassment and abuse
- 6** Freedom of association and grievance mechanisms
- 7** Working hours and overtime
- 8** Remuneration and benefits
- 9** Health and safety

### **Recruitment**

When recruiting, we adhere to UK legislation to check "Eligibility to work in the UK". We also recognise we have an obligation to review the recruitment and working practices of our labour providers.

### **4 RISK ASSESSMENT AND MANAGEMENT**

Our group Corporate and Social Responsibility department ("CSR"), in collaboration with our purchasing departments, maps out supplier risks and prioritises the factories to be audited according to several criteria:

- Country risk
- Supplier's weight in purchasing volume
- Availability of a valid social audit

The country risk is assessed using the ICS Country Risk Mapping methodology based on the 9 criteria shown in section 3. Most countries are classified according to 3 levels of risk: risky, medium-risk, and low-risk.

### **5 KEY PERFORMANCE INDICATORS TO MEASURE EFFECTIVENESS OF STEPS BEING TAKEN**

The country risk is assessed using the ICS Country Risk Mapping methodology based on the 9 criteria shown in section 3. Most countries are classified according to 3 levels of risk: risky, medium-risk, and low-risk.

#### **In 2020 our key performance indicators were assessed using the following parameters:**

- **Training**  
Inclusion & Diversity and Modern Slavery training has been given to every new starter.  
Current colleagues have received refresher training.
- **Third party audits**  
The total volume of product purchased from audited factories has increased by almost 20% on the previous year.
- **Regular reviews**  
A wider project team are constantly reviewing and amending current processes in our supply chain.
- **Board level awareness**  
The board of directors, and the company's leadership team, include Modern Slavery awareness, incidents and actions on their meeting agendas every quarter.

## 6 TRAINING ON MODERN SLAVERY AND TRAFFICKING

Here's a quick overview of our actions to monitor, prevent and train to manage incidents involving or suspected of involving Modern Slavery:

- Inclusion & Diversity, and Modern Slavery online learning, through e-learning for all UK colleagues and all new starters 2019/20.
- We are planning to further raise awareness for our distribution and contact centre colleagues.
- All members of our sourcing office in Shanghai have benefited from a two-day training course on CSR .
- Anti-Slavery Day awareness will be shared among all colleagues in October 2021 to raise its profile.

## REVIEW AT DAMARTEX 2019-20

For the financial year, our focus was to redefine our Tackling Modern Slavery strategy. Due to Covid-19 we have not been able to fulfil all our actions as shown below. However, this continues to be a priority in 2021.

### Achieved

- A more integrated MSA team with contributions from across the business. We have successfully agreed an updated network of business stakeholders to tackle modern slavery and awareness in the business and supply chain.
- Internal training with refresher courses so that the subject is at the forefront of colleagues' minds. We have successfully updated and rolled out training for all new starters and existing colleagues.

### Next Steps 2021:

- Define a process for UK lifestyle and incentives suppliers.
- Continue to drive forward our Modern Slavery and Human Rights policies.
- Utilise the "Stronger Together" initiative resources throughout the business.
- Define a process for non-product suppliers and labour providers.

## MOVING FORWARD

Through collaboration, compliance and constant reviewing of processes, we're raising the bar in tackling Modern Slavery. By introducing training, transparency and fully supporting the international legislation we are promoting respect, protection and sustainability across our business. We want to keep everyone who comes into contact with Damartex SA group companies from employees to supply chain workers, safe from such abuses by taking opportunities to learn from others on how to protect freedom and preserve human rights

For and on behalf of the Board of Directors



Managing Director Damartex UK

Dated May 2021