

Modern Slavery Act 2015 Statement

OUR BUSINESS

Furniture Village is the UK's largest privately-owned furniture retailer selling upholstery, beds, cabinets and accessories. We operate from over 50 store locations throughout the UK, alongside a fully transactional online website.

All of our operations are based in the UK, with our Group Offices in Slough and additional support functions and a National Distribution Centre located in Milton Keynes. The retail outlets are further supported by 16 Regional Distribution Centres. In total, Furniture Village now employs c. 1000 people throughout the UK.

OUR STATEMENT

Slavery, servitude, forced labour and human trafficking (modern slavery) are issues of increasing global concern, affecting all sectors, regions and economies. Modern slavery is fundamentally unacceptable within our business and supply chains and is an important element in our overall approach to business and human rights. Furniture Village as a family owned business is committed to respecting, protecting and championing the human rights of all those who work within our operations, including employees, stock and non-stock supply chain workers, customers and local communities. We accept our responsibility to support transparency and honesty; to find and resolve problems, and to work with others to protect the rights of workers, particularly those who are most vulnerable to abuses such as modern slavery.

Furniture Village recognises the importance of its obligation to prevent slavery and human trafficking in the modern world and we operate a zero-tolerance approach to any contravention of this policy, throughout all our business operations.

Any breaches or concerns identified will be dealt with immediately and with positive action. Furniture Village expects the same high standards from all our suppliers and contractors.

OUR SUPPLY CHAIN

- Furniture Village sources products from both the UK and globally using established wholesalers, suppliers and factories, using a wide range of substrates such as timber, fabrics, metals and glass.
- Whilst working globally ensures that we have access to the widest range of commercially priced, quality furniture, we acknowledge that there is an increased potential exposure to modern slavery within these global supply networks.
- We recognise that products sourced from the Far East have the potential to pose the greatest risk of modern slavery within our supply chain, both through their sourcing of raw materials, the manufacturing process itself and the shipping to the UK.
- We operate our own fleet of delivery vehicles, delivering from Distribution Centres, though we utilise respected third-party contractors during peak periods, with our Suppliers also delivering direct to customers in some instances.
- We also outsource some of our support services, including store building and maintenance activities, though always using highly regarded Suppliers with whom we largely have long standing working relationships.

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OUR SUPPLY CHAIN (continued)

Furniture Village is working towards full transparency across all tiers of our supply chain to mitigate the risk of slavery and human trafficking within our business.

Tier	Definition	Example	Status
1	Tier 1 Direct Supplier	Supplier which manufactures finished products for retail in store.	Signed declarations received
1	Tier 1 Indirect Supplier	Wholesalers supplying products within the UK from a network of Direct Suppliers (based in the UK or overseas).	Partially confirmed – completion 2019-2020
2	Tier 2 Supplier	A supplier who provides components and/or materials to Direct Suppliers, or, finished products to Indirect Suppliers	Target completion 2019-2020
3	Tier 3 Supplier	Any supplier of components and/or materials into a Tier 2 Supplier	Target completion 2019-2020

OUR POLICIES

We are continuously developing our retail offering whilst being mindful of the UN Global four pillars which include *human rights, labour standards, environmental* and *anti-corruption* standards. To ensure we achieve this we have developed the following policies:

- Recruitment Policy
- Whistleblowing Policy
- Employee code of conduct
- Employee training Policy

All personnel within Furniture Village, its suppliers and contractors, existing and new, are briefed on the policy and our expectations of full compliance to the requirements set out in the Modern slavery Act.

RISK ASSESSMENT

As an organisation we recognise there is a risk of modern slavery in any area of our business where there is:

- Migrant labour (country to country or within a country)
- High presence of refugees
- Young workers and risk of child labour
- Contract and agency workers
- Women workers

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RISK ASSESSMENT (continued)

To mitigate and reduce the risk to Furniture Village as far as is reasonably practical, we are implementing the following measures:

Modern Slavery Risk	Issue	Steps to be taken	Status
Migrant Labour	<p>Migrant workers paying recruitment fees may be trapped in bonded labour and be subjected to inferior employment terms.</p> <p>Labour recruiters create an additional layer between employers and workers, leaving workers exposed to deceptive or coercive recruitment practices</p> <p>Migrant workers often do not understand their rights in the destination country and the terms of their employment</p> <p>Countries of highest risk: China</p>	<p>Map and carry out a risk assessment of migrant labour across Furniture Village Supply Chain.</p> <p>Develop a migrant and Contract labour policy and share with our higher risk suppliers.</p>	To be completed by End of March 2020.
Refugees	<p>Refugees are particularly vulnerable to human trafficking and forced, bonded and compulsory labour</p> <p>Refugees may not have access to legal means of employment, therefore increasing vulnerability</p> <p>Countries of highest risk: Bangladesh, Kenya, Tanzania, Pakistan and Turkey</p>	<p>Any supplier identified as having a relationship with a supplier in these high-risk countries to develop, implement and confirm a robust approach to exploitation of refugees.</p>	To be commenced by End of March 2020.

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Modern Slavery Risk	Issue	Steps to be taken	Status
Young/Child Labour	<p>Children and young workers are more vulnerable to forms of modern slavery such as compulsory and forced labour as well as human trafficking</p> <p>Insufficient HR processes mean that young workers may be employed and enter the work place</p> <p>without enough checks to confirm their age, ability and safety in the work place</p> <p>Countries of highest risk: China, India, Turkey</p>	<p>Any supplier identified as having a relationship with another supplier in a high-risk country to develop, implement and confirm a robust approach to exploitation of young/child labour.</p>	<p>To be commenced by End of March 2020.</p>
Contract & Agency workers	<p>Contract workers are often less secure in their employment, may have less rights in the workplace and are therefore more vulnerable to exploitation</p> <p>Labour recruiters create an additional layer between employers and workers, leaving workers exposed to deceptive or coercive recruitment practices</p> <p>Countries of highest risk: India, Turkey, UK</p>	<p>Review risk-assessment of supply chain to understand where key risks of contract and agency workers exist by region, product area and type of factory</p>	<p>To be commenced by End of March 2020.</p>
Women Workers	<p>Women are particularly vulnerable to exploitation, human trafficking and bonded labour</p> <p>Countries of highest risk: All source countries</p>	<p>Confirm with our Supply Chain what gender empowerment programmes they have in place.</p>	<p>To be commenced by End of March 2020.</p>
Service Level Agreements	<p>Whilst we have a stable supplier base, we acknowledge there may be circumstances where our suppliers may need to review their resourcing from other countries.</p>	<p>Once findings of the mapping are confirmed, consideration to be given to re-issuing service level agreements where required.</p>	<p>To be completed by End of March 2020.</p>

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DUE DILIGENCE

- **Manufacturing Location Risk Assessment**

We are in the process of completing a full supplier risk assessment based on the original location of product manufacturing.

The assessment will provide an indication of the potential level of slavery exposure associated with that location and determine the level of visibility or additional control measures that will be required for further scrutiny.

- **Working with our Suppliers**

Our supply base is ever changing in line with current business needs. We have issued our Modern Slavery policy to all our suppliers. We have formal agreements in place with approximately 90% of our suppliers, the remaining 10% account for new suppliers with agreements we're working towards.

- **Supplier Relationships**

We have long standing relationships with the majority of our suppliers, with whom we share the same commitment to ensuring that modern slavery does not exist within the supply chain. Our Buying and Quality teams regularly visit our major overseas suppliers and their support to adhering the Modern Slavery Act is of paramount importance.

- **Employee Awareness and Training**

We recognise the need for training and we have actively provided all personnel with an awareness and training of the Modern Slavery Act and have developed the training to provide direct access to supplementary training resources via a Learning Management System. In addition to this, when joining the business, all new employees will be required to undertake compulsory training modules to gain an awareness of the Modern Slavery Act and their responsibilities to it.

- **Whistleblowing**

Furniture Village has a whistleblowing policy which facilitates personnel both internal and external to the business, to report any unethical practices.

EFFECTIVENESS

Continued monitoring of the effectiveness of our Policy primarily through supplier agreement to the revised Service Level Agreement. The speed and effectiveness of any corrective actions being taken because of issues raised is also key, along with a continued commitment to increasing awareness and training throughout the entire supply chain.

We have identified clear next steps we need to take to confirm our full compliance with the requirements of the Modern Slavery Act and will continue to develop appropriate measures to ensure adherence throughout the supply chain and identify areas for improvement as appropriate.

March 2019