

Modern Slavery and Human Trafficking Statement 2025

About this statement

This statement is made by the Board of Directors of Dreams Ltd (Dreams) pursuant to Section 54, part 6 of the Modern Slavery Act 2015 ("the Act"). It covers the activities and actions undertaken by Dreams during the financial year ending 24 December 2025, to ensure that slavery and human trafficking is not taking place in any of its supply chains or in any part of our business.

Hello from Jonathan



Jonathan Hirst, Dreams CEO

"Dreams officially began its journey in Uxbridge in 1987, evolving from a sofa bed shop to a specialist mattress retailer.

Since then, our business has significantly expanded, operating 223 stores nationwide, managing our own Bed Factory in the West Midlands, and maintaining 17 distribution centres throughout the UK. With a dedicated workforce of over 2,600 colleagues, we are the UK's most loved bed retailer. Central to our mission 'to provide a better night's sleep for all by matching every customer with their perfect bed' are our core values: putting the customer first, doing the right thing and being stronger together.

Recognising and addressing the serious and ongoing threat of modern slavery and human trafficking is fundamental to this. As our business expands and our supply chains become more intricate, we remain committed to ensuring all colleagues within Dreams and our wider network are treated with fairness, dignity, and respect. We encourage everyone within the Dreams community to remain vigilant, speak up about potential issues, and trust that appropriate and meaningful actions will follow.

Throughout 2025, we had no reportable incidents or significant non-conformances, and continued to improve transparency, visibility, and engagement with different parts of our supply chain. Renewing our strategic partnership with Verisio, an independent specialist in supply chain and ethical auditing, alongside our network of trusted partners, has deepened our understanding of complex ethical issues and supported the implementation of resources and actions to mitigate identified risks.

While we have made progress over the past year, we acknowledge that business growth brings increased risks. We therefore remain committed to continuous investment in measures such as relocating more of our supply chain closer to home and enhancing our rigorous ethical audit programme.

I'm immensely proud of our colleagues across the entire Dreams network for their continued dedication to doing the right thing. Together, we are building a supportive environment focused on tackling this critical and complex issue head-on."

Our business

We make and buy, sell and deliver beds and mattresses to UK households through our network of shops and online channels.

Our operations are spread across many sites:

- Our head office, fondly referred to as 'Bedquarters', is based in High Wycombe and holds over 280 colleagues, including our Customer Services team of approximately 60 colleagues.
- As a proudly British business, over half of the mattresses we sell are made at our Bed Factory in Oldbury by our expert craftspeople, which holds the prestigious Manufacturing Guild Mark from The Furniture Makers' Company and produces more than 292,000 mattresses and 238,000 divans and headboards each year. In September 2024 the factory also achieved Forest Stewardship Council (FSC®) accreditation for all wooden products made on site, with wooden components representing over a third of our total production.
- 17 distribution sites are located around the UK, of which 13 home delivery centres, including a new site in Sunderland, deliver more than 580,000 customer orders each year. There are approximately 840 colleagues in our supply chain network.
- We have four warehouses in the West Midlands including our largest, state-of-the-art warehousing facility in Willenhall, opened in March 2023.



Dreams trades under two brands: Dreams and Feather & Black and we are owned by the world's largest bedding company, Seemigroup International, Inc. (formerly known as Tempur Sealy International Inc.)



Products made at our own Bed Factory make up over half of all the goods we sell.

Dreams operates its own warehousing and distribution service.

Our fleet of trailers distributes our beds and mattresses to our country-wide network of 13 delivery service centres, where more than 610 full-time colleagues support the deployment of 197 3.5 tonne vans, each with two-person delivery crews. Every week, around 10,000 customer orders, increasing to more than 14,000 a week during our peak season, are fulfilled by our 180-strong warehouse team.

In the Northeast, Dreams strengthened its distribution capability in December 2025 by opening a new 9,000 sq. ft warehouse facility in Sunderland. This expansion has given us the ability to hold stock, improving product availability, and enabling shorter lead times, meeting growing customer demand for faster, more flexible delivery options.

As the only Dreams distribution centre serving the Northeast, the Sunderland site plays a critical role in the network. Despite being a relatively small depot with a team of 10 colleagues, it significantly reduces handling time between manufacturing at the Bed Factory and final delivery to customers' homes, enhancing overall efficiency and service levels.

Our policy on modern slavery and human trafficking

We make this uncompromising commitment to our stakeholders, value chain and the public:

Dreams will not work with any business discovered to be knowingly involved with modern slavery or human trafficking.

We expect our suppliers to agree and align to Dreams' values and treat all colleagues with fairness, dignity and respect.

In essence, modern slavery is where a person is exploited through threats of violence, coercion, deception, or abuse of power. It can include forced and child labour. Human trafficking refers to facilitating the travel of a person for the purpose of exploitation. The offences are set out in Part 1 of the Modern Slavery Act 2015.

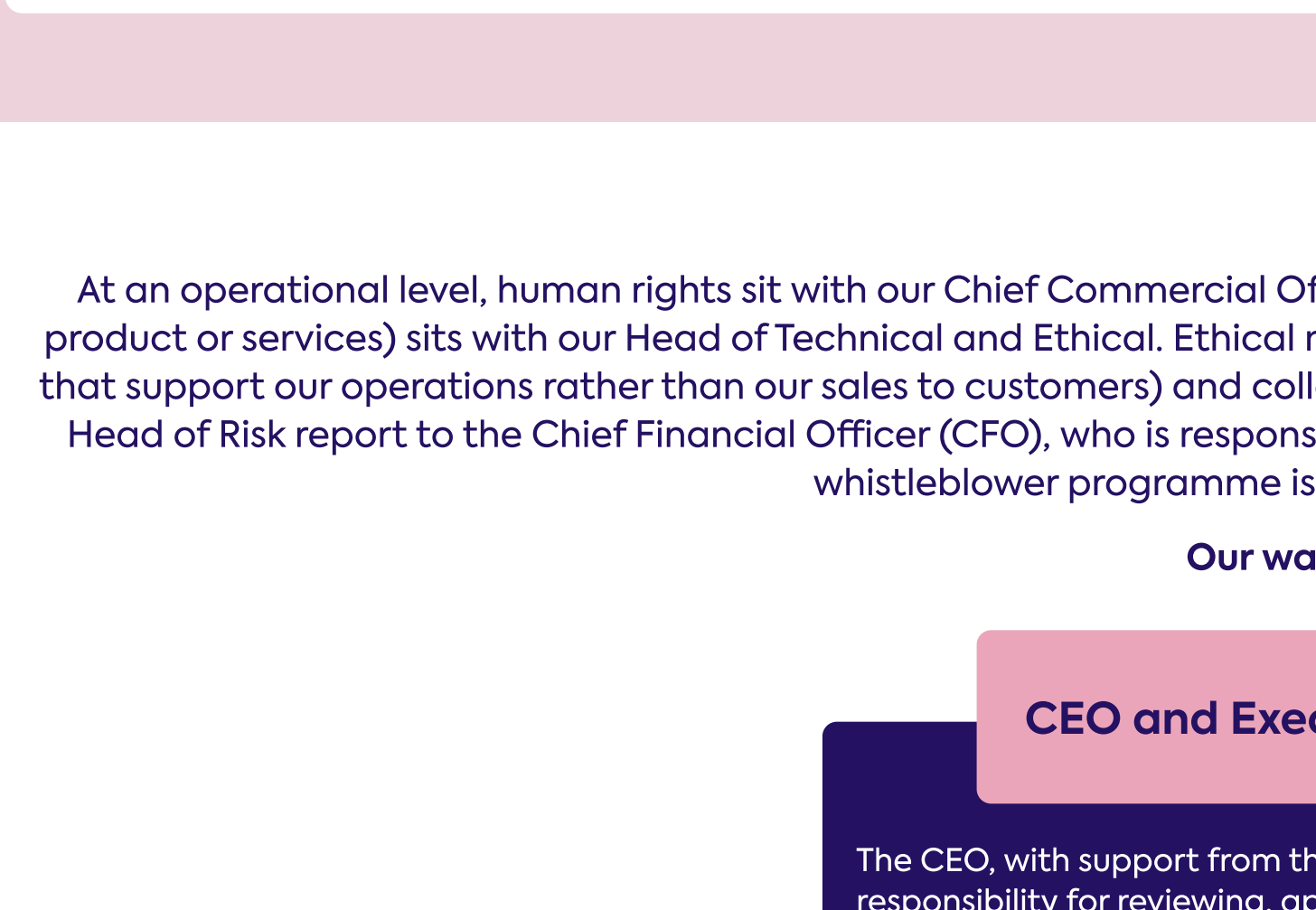
We know that there is an ever-present risk of modern slavery in our complex and dynamic global supply chains, and that risk is heightened where we have less direct visibility.

Dreams has a zero-tolerance approach to modern slavery in all its forms. We are committed to addressing this complex challenge through vigilance, rigorous oversight, ethical engagement with suppliers, and training.

We also recognise that there will be occasions when it is more appropriate for us to work with and support our suppliers in eradicating any instances of non-conformity identified during our ethical review process. Where this is feasible, it allows us to be a catalyst for driving and managing change that positively benefits supplier workers.

We require our suppliers to:

- Sign and comply with our **Supplier Codes of Conduct (SCOC)**.
- Agree to and comply with our modern day slavery and human trafficking provisions** set out in our supplier contracts.



Our due diligence process

Modern slavery and human trafficking in all their forms are a significant consideration for all areas of our business.

The Executive Leadership Team set the overall strategic direction for our wider Environmental, Social and Governance (ESG) obligations. Our ESG agenda is underpinned by our programme of key initiatives focused on doing right by our colleagues, the communities we touch and the planet. Overseeing our modern slavery commitments forms part of this. Strategic implementation for modern slavery is delegated to our modern slavery steering group. Senior managers from across the business are represented on the steering group so human rights issues and modern slavery awareness are integrated across all functions.

At an operational level, human rights sit with our Chief Commercial Officer (CCO) and ethical auditing of Tier 1 suppliers (direct suppliers of Dreams product or services) sits with our Head of Technical and Ethical. Ethical management of our Goods Not for Resale (GNFR) suppliers (goods and services that support our operations rather than our sales to customers) and colleague safety sits with our Head of Risk. Both Head of Technical and Ethical and Head of Risk report to the Chief Financial Officer (CFO), who is responsible for our Force for Good commitments. Colleague welfare, training and our whistleblower programme is overseen by our Director of People.

Our ways of working:



Our risks and mitigations

Finished products

Summary of our progress in 2025

During 2025, Dreams continued to strengthen oversight of its finished product supply chain through independent ethical audits, ongoing supplier engagement, and targeted follow-up activity. This work has supported improved visibility of potential modern slavery and wider human rights risks across the supply base, while also helping to drive stronger standards, transparency, and accountability.

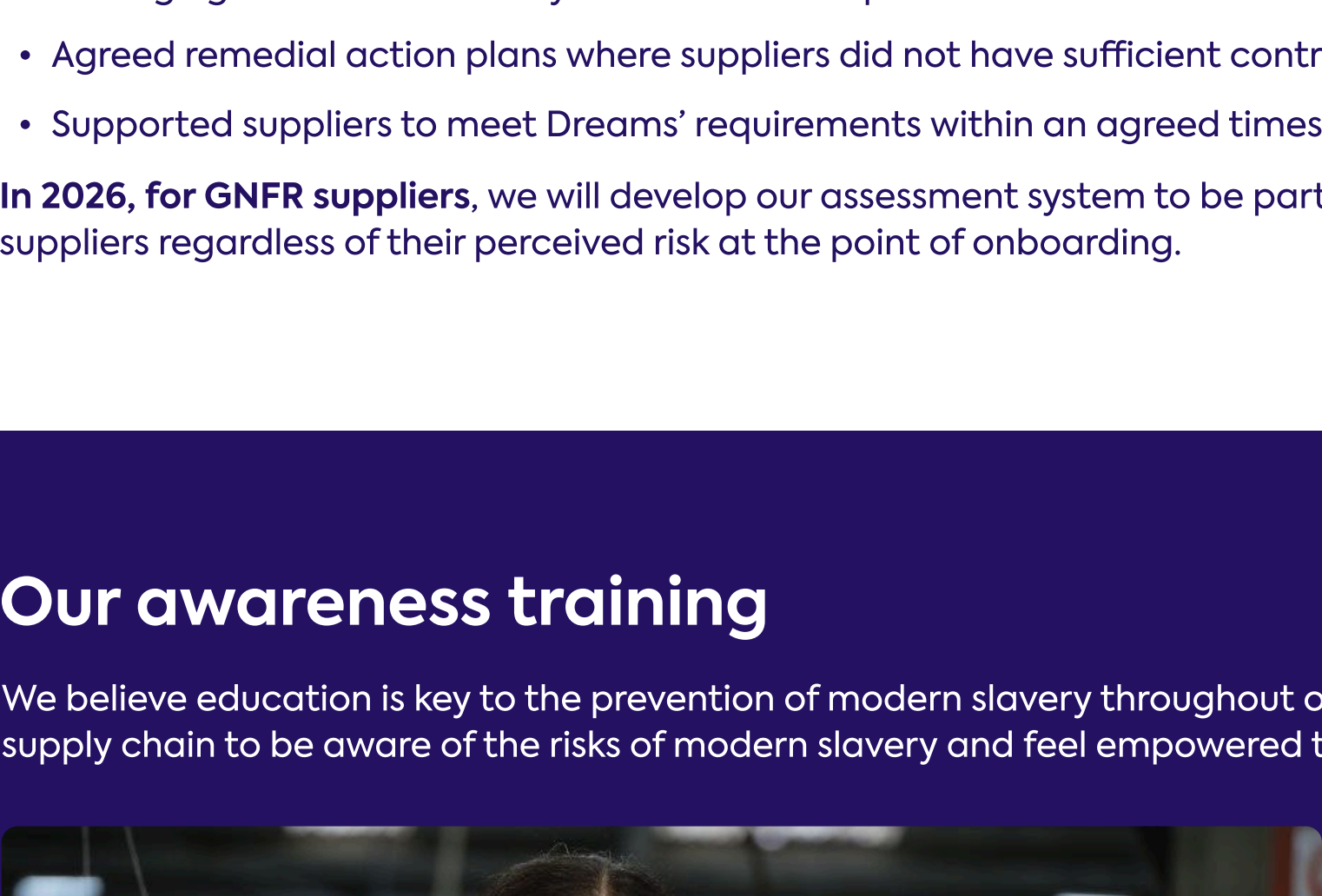
Dreams currently partners with 22 suppliers operating across 46 factories in 10 different geographical countries. This diverse sourcing footprint requires a consistent and robust approach to ethical compliance, risk assessment, and supplier engagement.

Our supply chain includes long-standing strategic partners as well as newer suppliers, all of whom are required to meet our ethical sourcing standards and participate in our audit and compliance programmes. Dreams also recognises that responsible buying practices are an important part of effective modern slavery due diligence. We seek to work with suppliers fairly and collaboratively and do not support practices that can increase potential of labour risk, which includes unsustainable pricing, unreasonable lead times, late high-volume orders, delayed payment, last-minute contract changes, unfair penalties, and the provision of inaccurate technical specifications.

Key actions taken during 2025 included:

- We continued to prioritise independent ethical audits in areas of the finished product supply chain assessed as presenting higher inherent risk. This included the use of recognised audit standards such as SMETA 2-Pillar, SMETA 4-Pillar and BSCI across categories including bedframes, mattresses, bedding, sofa beds and adjustable beds. We have actively encouraged our suppliers to move to the SMETA 4 pillar audit standard. This shift reflects our commitment to deeper due diligence, covering additional areas of environmental performance and business ethics.
- We maintained a structured process for reviewing audit outcomes, tracking corrective actions, and following up with suppliers where further information or improvement activity was required. This supported timely engagement and encouraged continuous improvement across the supply base.
- Audit outcomes during the year also provided evidence of progress across parts of the supply base, with a number of factories showing improved current gradings following audit review and follow-up activity.
- Supplier engagement remained an important part of our due diligence approach. We continued to use regular follow-up, dialogue, and local representation where appropriate to maintain visibility of progress, reinforce expectations, and support the closure of outstanding issues.
- Overall, the 2025 audit results indicate that a substantial proportion of factories within scope were assessed as low risk at the point of current grading, with further follow-up activity used to support ongoing improvement where needed.

Looking ahead, Dreams will continue to build on this progress by maintaining a risk-based approach to supplier oversight, supporting robust audit and corrective-action processes, and working collaboratively with suppliers to promote high standards across the supply base. We recognise that effective due diligence requires ongoing engagement and continuous improvement, and audit activity will remain an important part of our wider framework for monitoring standards and supporting responsible business practices.



Goods Not for Resale (GNFR) and service providers

A large proportion of Dreams' suppliers provide materials and goods to support our business operations. These suppliers sit across many areas such as Marketing, Media, Finance, Logistics, Property and more. Many are long-established and reputable companies meeting our business-wide needs, whilst others are closer to our individual sites and fulfil their specific local requirements.

Within our modern slavery programme, we have identified the inherent risks posed by our GNFR supplier base that historically employs a more transient, multicultural workforce. Typically, GNFR suppliers are smaller businesses providing services for building and property maintenance, vehicle maintenance and agency workers.

In 2025 we have:

- Successfully engaged with all our high and medium risk suppliers, by assessing them on the type of services they provide, labour practices they operate in and countries and regions they serve) using a Self-Assessment Questionnaire (SAQ), designed to understand and validate their commitment to managing the modern slavery risk within their operations.

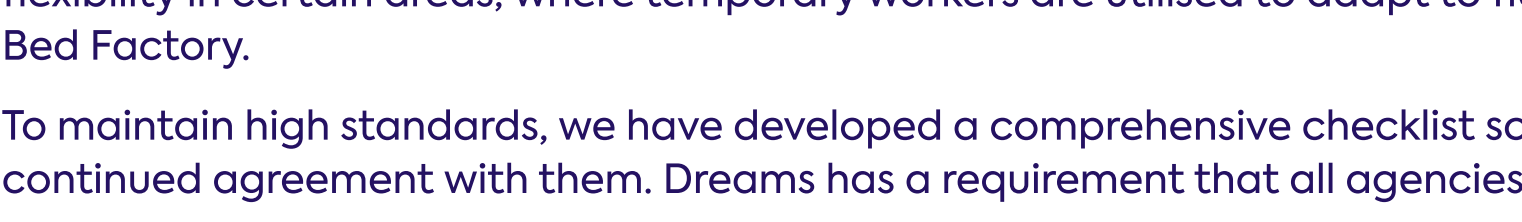
- Agreed remedial action plans where suppliers did not have sufficient controls or processes in place.

- Supported suppliers to meet Dreams' requirements within an agreed timescale.

In 2026, for GNFR suppliers, we will develop our assessment system to be part of the onboarding process and contract or agreement renewal for all GNFR suppliers regardless of their perceived risk at the point of onboarding.

Our awareness training

We believe education is key to the prevention of modern slavery throughout our network. We want each of our Dreams colleagues and anyone in our supply chain to be aware of the risks of modern slavery and feel empowered to speak out if they identify any issues. In 2025:



- We have continued to consistently communicate our whistleblowing programme, including regular reporting, ensuring that all colleagues are fully informed and feel secure in raising concerns. This ongoing initiative is instrumental in fostering a culture of continued transparency and trust across the organisation.

- Our recently enhanced version of Code of Conduct training is a core aspect of our ethics programme. The course is mandatory for all colleagues and well received annually, reflecting our commitment to promoting ethical behaviour. Once again, in 2025 we achieved a 100% completion rate, underscoring the dedication of our team to upholding our organisational values.

- In addition, in 2025, we launched two new learning courses focused on awareness, responsibility and compliance critical to preventing modern slavery, one for all colleagues and another for senior managers and critical roles across Dreams. These courses were both well received and will continue to be a core learning module for our colleagues, supporting and strengthening knowledge of risks and prevention of modern slavery and ensuring we uphold the highest ethical standards across our operations.

Recruitment and employment:

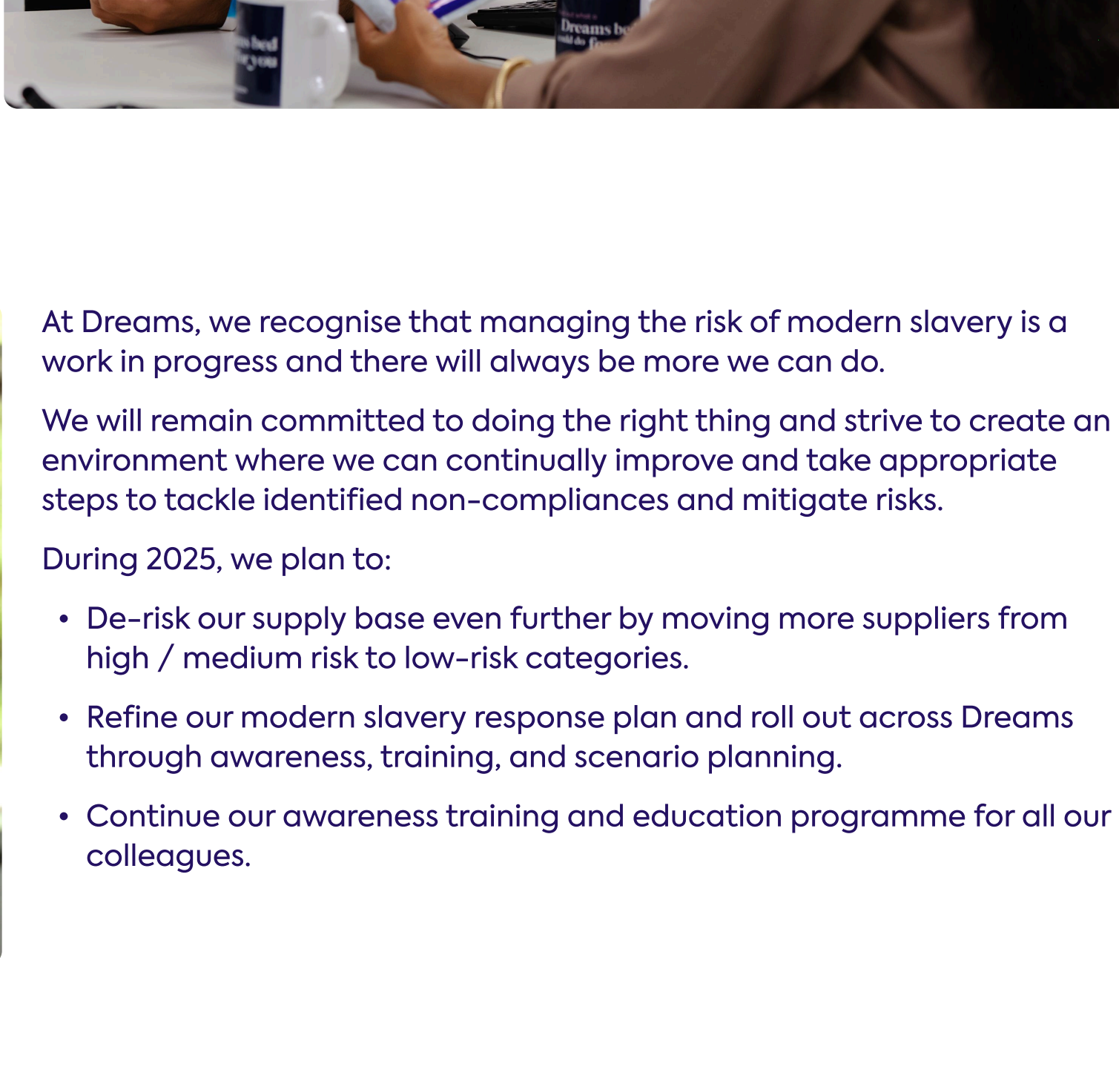
Our People Team have robust processes to ensure the legal recruitment and onboarding of direct employees. Additionally, we require the need for flexibility in certain areas, where temporary workers are utilised to adapt to fluctuations in demand, such as at our head office, distribution centres, and Bed Factory.

To maintain high standards, we have developed a comprehensive checklist scoring system for our recruitment agencies. This system forms the basis of our continued agreement with them. Dreams has a requirement that all agencies meet the required score before using them.

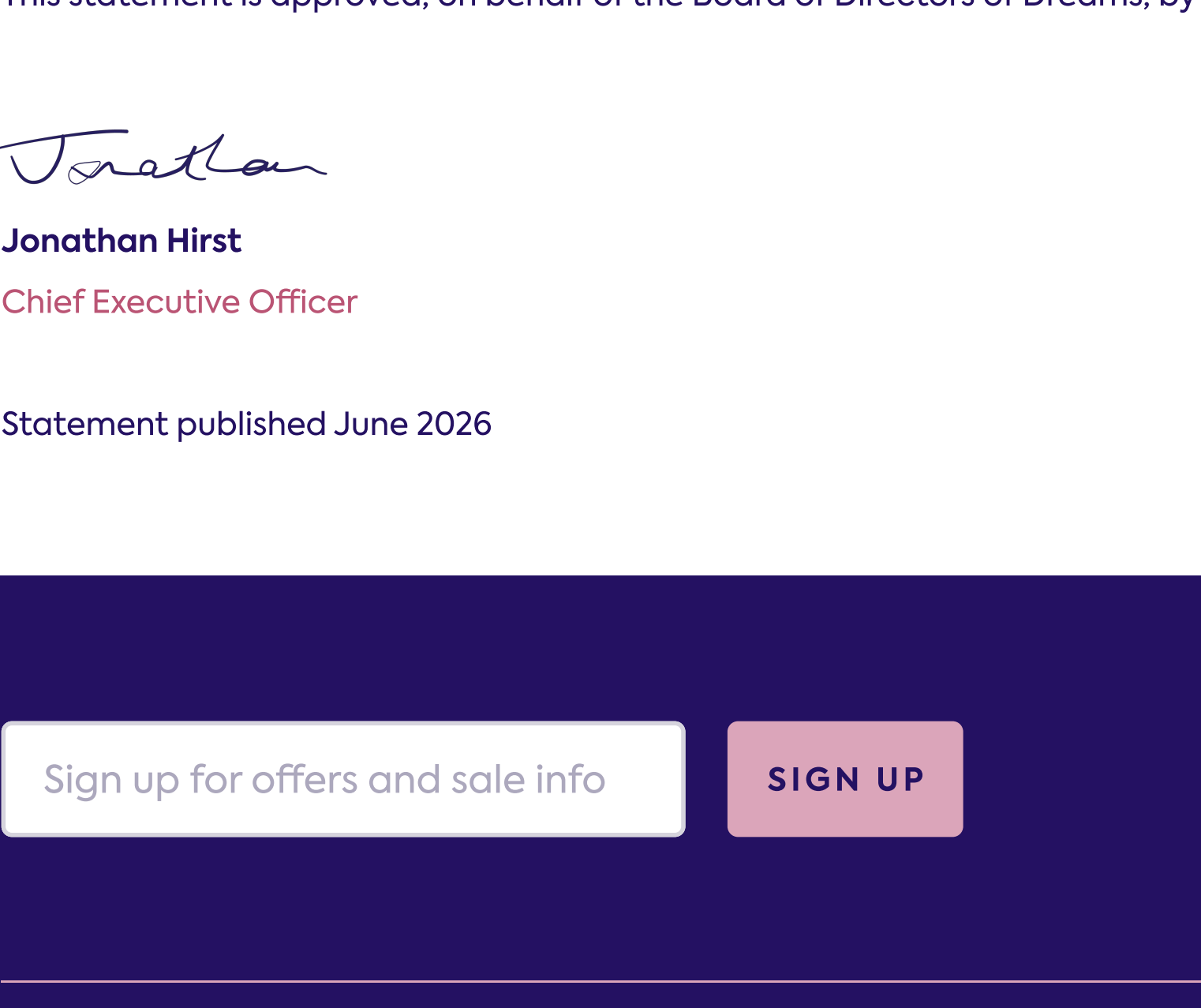
The Modern Slavery Checklist, which has been an integral part of our recruitment process for several years, is embedded into the onboarding process for new recruitment agencies across all business areas. This ensures all new partners meet the required standards before entering into an agreement with Dreams.

For existing recruitment agencies, we have established an annual review process. This includes redistributing the Modern Slavery Checklist and reassessing their scores. We are pleased to report that all current recruitment partners consistently meet satisfactory levels across all criteria. Whether we are actively working with them or planning to in the future, our review for all partners will be conducted at the beginning of 2027.

We regularly review and update our recruitment and employment policies and practices to ensure they remain fair, transparent, and aligned with current legislation. This includes ongoing updates in line with the Employment Act 2025, reinforcing our commitment to ethical employment standards, safeguarding workers' rights, and mitigating the risk of modern slavery within our operations.



Our continuous improvement



At Dreams, we recognise that managing the risk of modern slavery is a work in progress and there will always be more we can do.

We will remain committed to doing the right thing and strive to take environment where we can continually improve and take appropriate steps to tackle identified non-compliances and mitigate risks.

During 2025, we plan to:

- De-risk our supply base even further by moving more suppliers from high / medium risk to low-risk categories.
- Refine our modern slavery response plan and roll out across Dreams through awareness, training, and scenario planning.
- Continue our awareness training and education programme for all our colleagues.

Board of Directors approval

Dreams will never knowingly enter into business with any organisation involved in slavery, forced labour or human trafficking.

This statement is approved, on behalf of the Board of Directors of Dreams, by the Chief Executive Officer.

Jonathan Hirst
Chief Executive Officer

Statement published June 2026

Sign up for offers and sale info

SIGN UP

f t p i y in