



## MODERN SLAVERY STATEMENT 2022-23

The Board of Freemans Grattan Holdings, Freemans Public Limited Company and Grattan Public Limited Company take the issue of Social Compliance very seriously and are unanimous in their desire to implement a strategy of monitoring all suppliers to ensure compliance to internationally recognised standards.

Freemans Grattan Holdings is a wholly-owned subsidiary of the OTTO Group in Germany and is a member of the Business Social Compliance Initiative (BSCI).

The BSCI is a standard monitoring and qualification system to improve the working conditions in the global supply chains of Retailers, Importers and Brand companies. Over 80 companies are members of BSCI, representing ten different countries in Europe and involving thousands of suppliers worldwide.

This statement is made under section 54(1) of the Modern Slavery Act 2015 and constitutes our Group's slavery and human trafficking statement for the financial year ending 25th February 2023.

### INTRODUCTION

Our statement is structured to offer comprehensive insight into our operations. We begin with a general business overview, delving into our governance structures, supply chains, policies, and training practices. This sets the foundation for a detailed account of actions undertaken since our last statement.

### OUR BUSINESS

We organise our business across three business units: **Freemans Grattan Holdings Limited, Freemans Public Limited Company and Grattan Public Limited Company.**

### GOVERNANCE & CULTURE

The business remains committed to the continuous improvement of governance. We operate several cross-functional committees to manage compliance across the company.

We encourage and expect transparency from all staff and suppliers. We train our staff to raise risks and issues they encounter proactively. They can do this via speaking with management in their functions or raising concerns via the ERIS (Evaluation of Risks and Issues System).

We strive to bring to life our values (Resilience, Empathy, Ambition, Commitment, Honesty) and we include these in all staff briefings to reinforce positive examples of these with our colleagues.

Our values reflect the organisational culture we are seeking to cultivate. Honesty is pertinent to governance. Through our values, we actively encourage our staff to voice any concerns freely.

## **OUR SUPPLY CHAIN**

Our supply chain includes procurement for merchandise – typically fashion, homewares, electrical goods and gifts and non-merchandise, usually software and professional services. We engage an extensive network of business partners based in the UK, EU and the rest of the world with products principally sourced from the UK, Turkey, China and India.

The Otto Group is a Business Social Compliance Initiative (BSCI) member and monitors external and internal dealings against the BSCI Code of Conduct. This membership extends to Freemans Grattan Holdings, Freemans Public Limited Company and Grattan Public Limited Company.

The code of conduct we follow at Freemans Grattan Holdings is the OTTO code of conduct. This is the amfori BSCI code of conduct details of which can be [found here](#)

The BSCI is a standard monitoring and qualification system to improve the working conditions in the global supply chains of retailers, importers and brand companies.

We require all our business partners to comply with all national requirements and the minimum social requirements of the code covering:

- Child Labour \ Young Workers
- Forced Labour,
- Disciplinary Measures,
- Freedom of Association & Collective Bargaining
- Working Hours
- Working Contracts
- Compensation
- Working Conditions & Health & Safety

## **OUR POLICY ON SLAVERY & HUMAN TRAFFICKING**

We remain committed to preventing modern slavery or human trafficking in our supply chains or any part of our business. Our Code of Conduct reflects our commitment to acting ethically and with integrity in all our business relationships and implementing and enforcing effective systems and controls to try and prevent slavery and human trafficking from happening anywhere in our supply chains.

## **DUE DILIGENCE PROCESSES FOR SLAVERY AND HUMAN TRAFFICKING**

We have in place systems to:

- identify and assess potential risk areas in our supply chains
- mitigate the risk of slavery and human trafficking occurring in our supply chains
- monitor potential risk areas in our supply chains
- protect whistleblowers.

As part of our initiative to identify and mitigate risk, we require all merchandise suppliers to confirm their commitment to our Code of Conduct and its principles.

We also require them to provide documentary evidence to support this commitment. Such evidence includes a copy of their own Code of Conduct and implementation process or a copy of a current audit to either the BSCI, ETI (Sedex) or SA8000 standard carried out by an independent third-party company.

In the absence of any of the above, we reserve the right to request an audit by an internationally recognised company against the BSCI Code of Conduct. This audit is a pre-condition for starting any business with the supplier.

When onboarding new suppliers, factories are vetted by our Compliance Manager. The factories are made aware of our compliance process and requirements. If they do not meet the criteria, our Compliance Manager will arrange for the audit to take place.

We complete the onboarding process once we have the audit results and confirm that they are to our agreed level.

The Buying Team are fully aware of the process. They will discuss with any new suppliers before beginning the process, the premise being that we are all responsible for compliance.

We have formal, written policies and procedures encouraging staff to speak out about any concerns or risks. Our People Policies include a Bullying and Harassment Policy and the Whistleblowing Policy. These policies are in place to ensure that an individual can raise any concerns, in good faith, that Modern Slavery in whatever form may occur within our company or its supply chain. Individuals who raise such concerns are protected from any form of detrimental treatment even if they turn out to be a mistake.

## **SUPPLIER ADHERENCE TO OUR VALUES & ETHICS**

We maintain zero tolerance for slavery and human trafficking. We have a supply chain compliance programme in place to require all those in our supply chain and comply with our values and ethics.

To meet all requirements as outlined in our Code of Conduct and national laws, we require business partners to establish a set of management functions. Our code includes clear responsibilities, procedures and appropriate documentation to demonstrate compliance with our Code of Conduct and national laws. The management is responsible for continuous improvement.

We require our business partners to establish and maintain appropriate procedures to select subcontractors based on their ability to meet the requirements of this standard, monitor their social performance, and maintain reasonable evidence that there is an improvement process.

We commit ourselves to observe and ensure the implementation of our code of conduct within our organisations and our business partners. For this purpose, the Otto Group, us or an authorised 3rd party may at any time and without further notice inspect all its business partners and subcontractors' sites for monitoring purposes.

Any Inspector will identify themselves as being authorised by the Otto Group or us upon entering the business partner's or subcontractor's premises. Preventing the inspector from entering despite a clear mandate amounts to a positively established violation.

We commit ourselves to act upon inspection findings that reveal the violation of any of the stipulations outlined in our code of conduct.

Business partners and their subcontractors are obliged to correct any deviations found during inspections and continuously improve social standards. We will give reasonable time for remediation as well as support and advice.

We will terminate business relations without further notice in cases where rights violations prevail under the condition that the breach has been communicated to the business partner, that a reminder has followed within a reasonable period and under the condition that the business partner has not brought forward justified reasons for a delay of implementation in conjunction with the sincere intention of attending to the matter as soon as possible.

## **TRAINING**

To ensure a high level of understanding of modern slavery and human trafficking risks in our supply chains and our business, we have a robust process and we educate those staff accountable for product sourcing and supplier management on this procedure. The procedures ensure our compliance team have the final sign off for any new suppliers we onboard. Our compliance team is integrated into a wider compliance community via our parent organisation (OTTO). We use this community to review our practices and revise our procedures accordingly.

We ask that our Code of Conduct be freely accessible and understandable to all employees of our business partners and stipulate that employees shall receive training on their rights and obligations as defined by our Code and on applicable local laws.

The content of this Code is communicated to all business partners and their contractors to ensure that the required standards are effectively observed.

All new employees to our company are inducted and trained in the company values and our Whistleblowing procedures.

**Since our last statement we have taken the following actions:**

- In the last financial year, FGH has directly commissioned audits for **32** factories. FGH audits meet the Otto Group Standard in line with our code of conduct. In addition, Otto International manages **55** factories on our behalf. Our auditors have reported no significant findings.
- Besides 3rd Party audits, our Quality Assurance Manager has directly inspected several major suppliers in India and Dubai. The outcome was very positive.
- We've centralised label production with one supplier, greatly supporting transparency and control.
- We initiated a significant IT upgrade for enhanced transparency in supply chain management and real-time supplier data.
- On the **18th of October 2022**, for Anti-Slavery Day, we communicated FGH and OTTO's stance against modern slavery, including resources and impact infographics. We aim to inform the workforce about slavery risks.

## **OUR EFFECTIVENESS IN COMBATING SLAVERY & HUMAN TRAFFICKING**

The public is informed about our social conduct issues and developments on an ongoing basis using the Otto Group Sustainability Report (available online and in print) as well as the website [www.ottogroup.com](http://www.ottogroup.com).

This statement has been approved by the Board of Directors.

Ann Steer  
Chief Executive Officer  
**23<sup>rd</sup> August 2023**