

Belfield

GROUP

MODERN SLAVERY

STATEMENT 2018/19

Introduction

This statement has been published in accordance with the Modern Slavery Act 2015. This is the third Belfield Group statement, it sets out the continued steps taken by Belfield Group Ltd and subsidiary companies during the year ending 31st December 2018, to prevent modern slavery and human trafficking happening in its businesses and supply chains and to understand the risks that may be present.

Belfield Group Ltd and its subsidiary companies are committed to running our businesses responsibly and maintaining high ethical principles. To do this we:

- Continue to take steps to find effective methods to eliminate slavery and human trafficking practices.
- Ensure our policies and procedures are reviewed regularly and that we have development and training processes in place to ensure line managers have appropriate awareness and understanding of the issues and our responsibilities
- Understand our responsibility to respect human rights and are committed to protecting the rights of our employees, those employed within our supply chain, and those affected by our operations
- Ensure new suppliers understand our ethical trading requirements before they commence working with us, and that existing suppliers comply with those requirements.

Within this document, we describe our businesses and supply chains, and how we operate them. We explain our current policies and practices, and the future plans that we have, to enhance and develop these, in light of the Modern Slavery Act.

Our business and supply chains

Belfield Group is one of Europe's leading manufacturers, wholesalers and distributors of upholstered furniture, soft furnishings, curtains and mattresses. The Group is a key supplier to some of the UK's leading high street stores and online retailers within the caravan, leisure and home market.

Belfield Group employs over 2000 employees. Our product supply chains are global and we aim to ensure all our products are responsibly sourced.

The Belfield Group undergoes regular independent audits at its sites, and carry out regular audits of key Tier One (T1) suppliers, in-line with our own Ethical Trade Policy and the Ethical Trade Initiative. (T1 suppliers are those working on branded products)

We also provide a confidential remediation route for all UK based workers, via the 'Stronger Together' whistle blowing service.

Policies and contractual controls

We are committed to ensuring people are treated with dignity and respect and our approach is to implement the United Nations Guiding Principles on Business and Human Rights (Guiding Principles) and to recognise and manage the risk of harm associated with unsatisfactory working conditions, discrimination, modern slavery, human trafficking and forced or bonded labour.

This commitment is required of our T1 suppliers as a 'condition of business' and is set out in our policies and practices detailing our approach to the identification of modern slavery risks and steps taken to prevent slavery and human trafficking in our operation.

As reported in previous statements, we have several policies in place that describe our approach to the identification of modern slavery risks and steps taken to prevent slavery and human trafficking our operations, all of which are signed off by the Belfield Group Board of Directors.

This includes:

Our Ethical Trading Policy – We believe that our suppliers should adhere to the highest standards of ethics. Suppliers are required to demonstrate that they provide safe working conditions where necessary, treat workers with dignity and respect, and act ethically and within the law in their use of labour.

Key T1 Suppliers will be expected to provide evidence of compliance with our Ethical Trading Policy, which requires them to:

- Participate in ethical trading audits / assessments;
- Provide employees with good working conditions, fair treatment and reasonable rates of pay; and
- Respect workers' human rights and comply fully with all applicable laws.

We also requires that:

- All work must be voluntary, and not done under any threat of penalties or sanctions
- Workers must not pay any deposits for work and employers or labour providers must not keep originals of identity documents.
- Involuntary labour is prohibited and workers must be free to leave work at any time with all outstanding monies to be paid to them.

Our Human Rights Policy – We respect human rights and are committed to protecting the rights of our employees, those employed within our supply chain, and those affected by our operations. The policy sets out our approach and standards to fulfilling this commitment, which includes:

- Acting with integrity, fairness and transparency within all our business operations.
- Encouraging openness and honesty in all our relationships and seek to develop constructive relationships with our employees, through communication and engagement activities.
- Prohibiting any form of discrimination, forced, trafficked or child labour.
- Providing a safe and healthy working environment in which their dignity in the workplace is respected.

We also provide a remedial route for customer, suppliers or external parties to report Human rights concerns or grievances.

Our Anti Bribery and Corruption Policy – One of our core values is to uphold responsible and fair business practices and maintain the highest level of ethical standards in relation to all of our business activities.

We are committed to acting fairly and with integrity in all of our business dealings and relationships and to implementing and enforcing effective systems to counter bribery.

Our Recruitment Policy – We continually review our recruitment policy and practices to ensure that these remain compliant with all UK Legislation.

Where possible, we will employ people on a permanent contractual basis. Prior to commencement of employment, all employees will be expected to demonstrate a right to work.

Our Responsible Use of Labour Providers Policy – We will only contract labour providers which have an identifiable and legitimate business entity. We will verify with the labour provider that they meet the legal operating conditions for labour providers in that country and sector including any system of licensing, certification or other regulation as required by national law and practice is properly complied with. The scope of this policy covers both:

- Recruitment Services – where the labour provider sources workers to be employed by us,

- Employment Services – where the labour provider employs workers and supplies them to us and their tasks and supervisors the execution of their tasks.

We will conduct appropriate due diligence (including assessment audits) to ensure that the labour provider is compliant with this policy.

Our Whistle Blowing Procedure – We have implemented a whistleblowing procedure and a confidential helpline aimed primarily at our employees to report malpractice, unlawful or unethical behaviour within the workplace.

Due Diligence and Audits of Suppliers and Supply Chain

Whilst Belfield Group will continue to undergo regular third party audits in line with our customer requirements, we understand that our biggest exposure to Modern Slavery is in our supply chain. Supplier audits are undertaken to assess ongoing ethical compliance.

The audits assess compliance with the ETI Base Code, and are, amongst other aspects, intended to identify any potential Modern Slavery practices. If any potential risk is detected, investigative and remedial action will be taken.

Recognising the limitations of relying on mainstream audits, Belfield Group has now undertaken a new collaborative approach with Labour Providers to build a transparent relationship to encourage regular communication and collaboration. This provides a more pro-active approach aimed at looking at preventative measures rather than reactive measures and remedial action.

Modern Slavery Training and Awareness

All line managers have been provided with Modern Slavery training covering:-

- Transparency in Supply Chains
- How to assess the risk of Modern Slavery including recruitment and resourcing
- How to identify signs of slavery and human trafficking
- How to escalate issues where Modern Slavery is suspected
- What steps we would take if suppliers, or contractors do not implement anti-slavery policies in high risk scenarios, including their removal from the organisations supply chain.

2018 Actions

Building on the measures introduced in previous years, during 2018 we have continued to give priority to managing the risks of modern slavery. The additional actions undertaken include: -

- Implementing improved Governance policies - We have issued written communication of our policy on Human Rights and Corporate Social Responsibility on our Company website.
- Holding regular meetings with our main labour providers to review their performance and understand any changes to their methods of resourcing;
- Continuing to roll out face to face training to all relevant employees.
- Starting to deliver E Learning training on Equality and Diversity to front line managers.
- Continuing to raise awareness of the risk of Modern Slavery in communications with our employees e.g. employee newsletters, notice boards and Employee Representatives meetings.
- Incorporating the subject of Modern Slavery into our E Learning Employee Induction Programme;

We have also successfully completed Sedex Members Ethical Trade Audit (SMETA) at our manufacturing sites.

Assessment of effectiveness in preventing Modern Slavery

We understand that the potential for Modern Slavery will need ongoing assessment and actions to mitigate risk. As such, our approach is based on continually reviewing the effectiveness of our policies, exercising due

diligence when engaging with new suppliers, carrying out audits and performance reviews, and taking seriously any issues or complaints by undertaking appropriate investigations and remedial action.

We the Belfield Group, board of Directors are fully committed to the prevention of Modern Slavery and the application of this Modern Slavery Statement.

Signed:  _____ Managing Director (Belfield Furnishings)

Signed:  _____ Managing Director (Belfield Design Studio)

Signed:  _____ Managing Director (Westbridge Furniture Designs Ltd)

Signed:  _____ Managing Director (Duflex)

Signed:  _____ Managing Director (Tetrad)

This statement was approved by the Board of the Belfield Group.

Signed:  _____ Chief Finance Officer

Signed:  _____ Chief Executive Officer

Date: 25.01.2019