

## STATEMENT ON MODERN SLAVERY AND HUMAN TRAFFICKING

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### **1. Introduction**

Airsprung Group (the Company) fully understands its responsibility to operate in an ethical trading manner across all businesses.

This statement has been published in accordance with Section 54 of the Modern Slavery Act (2015) (the Act) and it sets out our continued efforts throughout 2019/2020 to understand the risks of modern slavery within our operational environments, labour suppliers and supply chains.

This is published for the year 1 April 2019 to 31 March 2020 and confirms our commitment to reinforcing the eradication of human slavery and servitude, forced or compulsory labour and human trafficking throughout our supply chains. We also work to stamp out modern slavery and take the appropriate steps to ensure that everybody who works for Airsprung Group benefits from a working environment in which their fundamental human rights are respected, and that anyone that we do business with also upholds these principles.

Airsprung Group will not knowingly work with any organisation that either has, or is found to knowingly be involved with either human trafficking or modern slavery.

### **2. Responsibility for anti-slavery initiatives**

The Group Chief Executive and the Group Human Resources Director have full responsibility for ensuring that all policies are adhered too, and the Group Human Resources Director has full responsibility for ensuring that this is communicated to all employees.

### **3. Airsprung Group Structure and supply chain.**

Airsprung Group plc is the parent company to seven subsidiary companies operating in four distinct areas of the furniture industry: Bed Manufacture, Sofa Manufacture, Sofabed manufacture and Headboard Manufacture. The Group also has a small Graphic Design business subsidiary. The Group has manufacturing units in Wiltshire, Bristol, Lancashire, and County Durham.

### **4. Our Values**

Airsprung Group is committed to adopting the highest standards in the honest, fair and transparent employment of its directly employed staff takes all reasonable endeavours to ensure its supply chains commit likewise.

### **5. Tackling Modern Slavery – our employees**

To ensure that we recruit and treat our employees fairly, and ensuring that we avoid modern slavery in any way, our Policies for People set out our procedures on how the company:

- a) Recruits and selects employees in a fair, professional, and lawful manner, for both internal and external applicants.
- b) Treats all employees across the Group fairly during their employment, and if there is an occasion when an employee feels that they are not being treated fairly there are several procedures in place. They can raise an informal grievance, a formal grievance, or approach our recognised trade union.
- c) We ensure that we manage the exiting process for employees, if necessary, in a legal, fair, and transparent way.

## **6. Tackling Modern Slavery in our Supply Chain**

Airsprung Group will not knowingly work with any organisation that either has, or is found to knowingly be involved with either human trafficking or modern slavery. New Suppliers are subject to a 'Supplier Self-Assessment Questionnaire'. In addition, we request our Suppliers (new and existing) to contract an audit locally with SMETA (Sedex Members Ethical Trade Audit). These requests commenced in 2016 and progress has been made with a good number of Suppliers completing this process.

A SMETA 2-pillar audit comprises the following modules:

- Labour Standards
- Health and Safety
- Additional Elements:
  - Management Systems
  - Entitlement to Work
  - Subcontracting and Homeworking
  - Environmental assessment (shortened)

## **7. Company Risks**

In order to respond to our customers' needs there is a requirement to use agency labour. We have identified this is an area of potential risk, and initiatives to manage this have evolved over time, as set out in this policy.

A further identified risk is that not all Production Managers have yet attended Stronger2gether workshops. This is to be rectified, as set out in point 10.

### Supply chain risks

Third party suppliers of materials and services are remote and need to be audited and assessed on a regular basis.

## **8. Our policies in relation to Modern Slavery**

The following company policies support us in ensuring that modern slavery is not taking place within our supply chains or business:

To confirm the company's full commitment to eradicating modern slavery and human trafficking it also has the following policies which are fully available to all employees:

- Ethical Trading Policy
- Anti-Bribery Policy
- Whistleblowing Policy
- Harassment and Bullying Policy
- Work Related Abuse and Violence Policy
- Equal Opportunities Policy

## 9. Due Diligence processes

### Company Audits by Third party auditors

All relevant Group companies have been subject to ethical audits with SEDEX, FAST FORWARD, and SMETA, identifying our high ethical standards and commitment to ensuring that our employees, whether agency or contract, are treated properly.

### Recruitment

All of our new employees are subject to pre-employment checks to confirm their identity and right to work in the UK. Where recruitment agencies are used, we ensure that they comply with all legal requirements as a minimum.

### Recruitment Agencies

The company understands that due to its business model of working with workforce functional and numerical flexibility, that there is risk when working with recruitment agencies. Therefore, over the last 12 months, the company has continued to ensure that the all agencies used by Group companies are reputable. An ethical audit has been carried out on its main suppliers of labour. Recruitment agencies with which the company has low usage have completed a self-assessment questionnaire. Both are repeated annually.

### Worker to Employee interviews

To further protect workers when moving onto contract status with the company, the worker will complete a Stronger2gether questionnaire to ensure that they are not in bonded labour or have been part of human trafficking. They are given the option to complete the questionnaire anonymously if they wish, and return to Group HR in a sealed envelope.

### Supply Chain

The company has made some headway to put in place controls with our suppliers in the form of third party audits and self-assessment questionnaires.

### 2018/2019

Further to the last Statement the company has:

- Improved its self-assessment tool for all agency audits. It has also carried out ethical audits on the main recruitment agencies used, and in addition to this has improved our own agency audit self-assessment tool for agency labour providers. We have zero tolerance to non-compliances and close these down as soon as possible.
- Improved its system for the detection of same bank accounts and phone numbers by improved IT procedures.
- Improved its onboarding process by worker to employee interviews.

- Improved the induction process to now include modern slavery and human trafficking and highlight where an employee can get further information and access help.
- Ensured that all relevant staff within the Group Human Resources department, and the Operations Manager, has attended relevant training courses with Stronger2gether on how to identify symptoms of human trafficking.
- To help ensure that no employee is indebted or bonded to another, the company has now made it contractual that no employee can be indebted to another through a loan or tenancy agreement, or any other financial favour. Reminders are made through training and awareness sessions.

In addition, the company will over the next 12 months:

- a) Install a confidential e-mail hotline into the Group HR department where abuse can be reported.
- b) Update the Staff Handbook and issue to all new and existing employees which includes an emphasis on Modern Slavery, with telephone numbers to call/email address to contact, if concerned about slavery issues for themselves or others.
- c) Remind employees during the in-house modern slavery training of the prohibition of debts from one employee to another, and tenancy agreements.
- d) Ensure that all relevant staff within production management of all subsidiaries and supply chain departments have attended a Stronger2gether training course.
- e) Ensure that Stronger2gether materials are displayed at all sites to provide details on what employees should look out for and how to raise any concerns.
- f) Improve its communication in carrying out training for all key staff, shop floor management, and all directors, to ensure that they are aware of the risks and signs of human trafficking within the workplace.
- g) Continue to improve its ethical audits on recruitment agencies used.
- h) Third party suppliers will continue to be monitored during regular audits, and checks will increase during 2019/2020
- i) Our objective is that all our Suppliers across the Group will eventually be independently audited or suitably assessed.
- j) Complete and maintain third party audits and self-assessment questionnaires for all Group companies.
- k) The company will develop a Supplier Code of Conduct which involves their commitment to eradicating human trafficking or modern slavery. This will be issued to all suppliers to the Group.
- l) Review and update progress with SMETA audits throughout the Group supply base.
- m) Third party suppliers of materials and services are remote and need to be audited and assessed on a regular basis. This represents a risk so the company will adopt a vigilant approach to maintaining regular audits and checks.

## 10. Effectiveness assessment

To assess the impact of the steps that we have taken, key performance indicators will be reviewed and reported on further in our Modern Slavery Statements:

This will be by:

- Analysis of any external audit (e.g. SMETA, Fast Forward, NBF) and reacting positively to recommendations set by the auditor.
- Working on a continuous improvement programme for agency audits.
- Comparison of audit information year on year with labour suppliers.
- Assessing the number of agency non-compliances successfully completed.
- Assessment of the reporting of abuse directly to the company.
- Ensuring that all relevant staff attends the Stronger2gether workshops.
- If an issue is suspected or identified, the Group HR department will be monitored during normal reporting procedures from the Group HR Director to the CEO.
- Assessment of the number of issues raised through any of the company policies.
- Appointing an individual in each supply chain team to oversee the audit process, reporting this through each subsidiary Managing Director, and ultimately the Group Chief Executive, on an annual basis.

### Board approval

This statement is made pursuant to section 54 (1) of the Act, has been approved by the Group Chief Executive of Airsprung Group plc and will be updated annually in line with the Act's reporting requirement.



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Tony Lisanti  
**Group Chief Executive**

Date: <sup>#</sup>13 AUGUST 2019.  
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