

STATEMENT ON MODERN SLAVERY AND HUMAN TRAFFICKING 2024-2025

The Group understands, and fully respects, the needs of every business to help to try to eradicate the human suffering and degradation of human trafficking. We fully recognise our responsibilities to ensure that no employee or agency worker within our Group of companies is subject to this, or that it is in our supply chain through our suppliers, nor in our human supply chain through the use of temporary labour.

This statement therefore sets out what steps we have taken to eliminate, as far as we can, the risk of human trafficking and modern slavery taking place within the organisation. It also sets out what further steps we intend to take in the future.

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 2024/25 to understand the risks of modern slavery within our operational environments, labour providers, and supply chains.

This is published for the year 1 April 2024 to 31 March 2025 and confirms our continued commitment to reinforcing the eradication of human slavery and servitude, forced or compulsory labour and human trafficking throughout those supply chains.

ORGANISATIONAL STRUCTURE AND SUPPLY CHAINS

Airsprung Group Structure

Airsprung Group PLC is the parent company to Airsprung Furniture Ltd, of which there are five trading divisions. These divisions operate in five distinct areas of the furniture industry: Bed Manufacture, Sofa Manufacture, Sofabed manufacture and Headboard Manufacture. There is also a small foam converting division on head office site. The Group also has a small Graphic Design division also on head office site.

The Group has its Head Office in Trowbridge, Wiltshire, with other manufacturing units in Avon & Somerset, and County Durham. Airsprung Group now employs around 250 people across three sites.

Supply Chain

The Group has a dedicated supply chain team who source, negotiate and order components for all Group companies. In addition to this, within each of the divisions it is the responsibility of one person for more low level ordering. This department will send out self-audits questionnaires to their suppliers. The supply chain department is now working with all buyers in our other divisions to introduce the same practice across all Group companies.

The Human Supply Chain and risk

The Group understands that it is a high risk business for modern slavery in this area as it has a regular operational use for agency labour. For that reason, a strict process is followed by the Group HR Department for the appointment of recruitment agencies, overseen by the Group HR Director.

Any labour directly recruited through direct means follows the normal recruitment process through the Group HR Department, and includes Right To Work checks, Stronger Together Questionnaires, and inductions including awareness of Modern Slavery to each new employee.

The Supply Chain and risk

The Group is fully aware that there is also a greater risk of human trafficking within their supply chains. For that reason a more strict process is being introduced for all suppliers to now complete a self audit form, become a member of SEDEX, or complete the Airsprung Group Ethical Questionnaire which results in a risk score. If the risk score is not high enough the Group will work with the supplier to improve this. If this fails then they would cease to be a supplier.

This ensures greater focus in these areas to ensure the suppliers come up to standard.

1. POLICIES IN RELATION TO HUMAN TRAFFICKING

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

- Modern Slavery Policy
- Ethical Trading Policy
- Anti-Bribery Policy
- Whistleblowing Policy
- Harassment and Bullying Policy, including Sexual Harassment.
- Work Related Abuse and Violence Policy
- Equal Opportunities Policy
- Child Remediation Policy

Whilst the supply chain does not have any relevant policies at this time, they have developed, and are improving the following, which are relevant to supplier audits.

- Supplier Self audit
- Group Ethics questionnaire
- Request to join SEDEX

2. DUE DILLIGENCE PROCESSES

Operational Labour Audits

The Group will sometimes need to fluctuate labour on a daily and weekly basis within its manufacturing units. For this reason, it fully recognises that it is our responsibility to ensure that the labour provider is audited prior to supply. If, from the Modern Slavery Desktop Audit there were any concerns highlighted by the Group HR Director, then these would be looked into further before the agency was classed as a labour

provider. This will include a full on site audit or even the request for them to have a formal SMETA or SEDEX audit before supply.

For that reason all labour providers have to go through the centralised Group HR function who will take the lead on this and approve the agency, signed off by the Group HR Director.

Any agencies found not to be to the correct standard at any stage of the audit process, the Company would cease working with this labour provider. The Group Chief Executive Officer would be made aware immediately and a course of action would be identified, depending on the circumstances.

This goes for all provision of labour whether temporary supply or permanent supply.

Supply Chain Audits

All existing suppliers are now in the process of receiving the updated self-audit questionnaire and when returned a score is given to that supplier to identify the purpose of risk. If the supplier scores less than 65% on their overall score or 49% on ethics then the subsidiary will work with that supplier to improve the score. If after time the Group feels that there is a risk with further supply, then they will stop trading with that supplier due to that risk.

3. RISK ASSESSMENT AND MANAGEMENT

The Group has assessed where the greatest risk of modern slavery could take place. Due to the functional use of temporary labour it recognises that labour providers are a great risk to our business. For that reason within the human supply chain the Group HR Director has full responsibility for approval of any agencies used.

The Group Company also understands that a greater risk is within its supply chain of raw materials. For that reason, it will be continuing its assessments of suppliers during 2024/25 understanding that one of its greatest risks is in the supply of raw materials and the global supply chains therein.

4. KEY PERFORMANCE INDICATORS TO MEASURE EFFECTIVENESS OF STEPS BEING TAKEN

Airsprung Group PLC can report that it is not aware of any modern slavery or human trafficking claims made against any of its suppliers. The Group Company would not knowingly work with any organisation that either has, or is found to knowingly be involved with either human trafficking or modern slavery.

Audits by Third party auditors

All audited divisions have consistently passed all ethical audits with SEDEX, passing for our high ethical standards and commitment to ensuring that our employees, whether agency worker or employee, are treated correctly and with respect. Results are published, and are available online.

The Group is pleased to report that there have been no reported instances of slavery activity or human trafficking found within any of its subsidiaries. However, it fully understands that this act is difficult to identify in anybody working within any of its subsidiaries, so training awareness is essential.

Through improved due diligence in our supply chain area over the coming 12 months this will only increase the awareness in that area.

5. Plans for Improvements over the next 12 months

Human Supply Chain

During the next 12 months, the Group will continue to improve its awareness of modern slavery and human trafficking around the Group. This will include:

- Issuing the updated Employee Handbook which references human trafficking awareness
- Updating the training to all managers and directors to raise awareness of the continued risk.
- Understand and work with any new proposals put forward by the new Government.
- Have an approved supplier list on the intranet of labour suppliers who have passed the self-assessment audits.
- Carry out Dignity At Work training

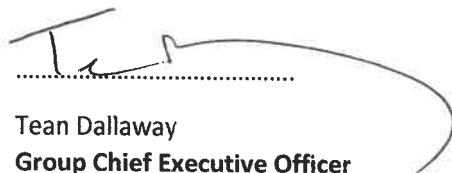
Supply Chain

During the next 12 months, the Group will also continue to improve its awareness of modern slavery and human trafficking by all of its suppliers in all four manufacturing divisions. This will include:

- Improved self-auditing
- Ethics auditing
- Ethics as a stand-alone measure
- Encouragement to join SEDEX

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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Tean Dallaway
Group Chief Executive Officer

Date: 5/9/24.....