

Modern Slavery Statement

July 2023 – June 2024



Introduction

ABOUT THIS REPORT

This report summarises **The Very Group's** work to prevent modern slavery in our business and supply chain from **1 July 2023 to 30 June 2024**.

The report meets the requirement under Section 54 (Transparency in Supply Chain) of the **Modern Slavery Act 2015**.

It was approved by **The Very Group's** Executive Team on **13/12/2024**.

CEO statement

At **The Very Group**, our purpose is to **help families get more out of life**. Our multi-category digital retail proposition and flexible payments platform brings over **2,000 big brands**, as well as our popular own brands, to more than **4.3m people** across the UK and Ireland. Integral to our proposition is operating as a responsible business which means treating everyone fairly and with respect – to do this we recognise our role in identifying, preventing, mitigating and remediating human rights risks.

Modern slavery is a complex global issue affecting all regions, sectors and economies. As a pureplay online retailer, we have a relatively small operation in the UK and a complex supply chain spanning **19 countries**. Our risk-based approach prioritises the initiatives that can drive the biggest impact, by focusing on areas we identify to be high risk of modern slavery.

We are committed to working collaboratively and collectively with our industry peers and business partners to tackle this issue and we are proud of the progress we've made this year in mitigating and responding to the risk of modern slavery including:

1. Completing a human rights salience assessment and focused country level salient human rights review.
2. Continuing to support worker voice in some of our highest risk regions through our grievance mechanism **Timby** and worker empowerment training.
3. Working with Malaysian suppliers to reimburse recruitment fees to **705 migrant workers** in Malaysia.

Whilst great progress has been made, we know there is a lot more to do. The work that we undertake to tackle modern slavery remains of great importance to our business and we will continue to hold ourselves accountable in acting responsibly.

ROBBIE FEATHER
GROUP CEO



This statement applies to all entities within The Very Group including Very, Very Ireland and Littlewoods. Modern Slavery Statement July 2023 – June 2024

What is modern slavery?

Human rights organisation [Anti-Slavery International](#) defines modern slavery as ‘when an individual is exploited by others, for personal or commercial gain. Whether tricked, coerced, or forced, they lose their freedom’.

Modern slavery is a global issue which takes many forms. [The International Labour Organization \(ILO\)](#) estimates that at least 50 million men, women and children around the world are in some form of slavery.

There are around 50m people around the world in some type of slavery

That comprises:



(Source: Anti Slavery International)

Types of modern slavery

Modern slavery takes many forms. According to Anti-Slavery International, the most common are:

- Human trafficking
- Forced labour
- Debt bondage or bonded labour
- Child slavery
- Descent-based slavery
(where people are born into slavery)
- Forced and early marriage
- Domestic servitude

You can find more information about different types of modern slavery [here](#).

Our organisation at a glance

Our Business **The Very Group** is the UK's largest integrated pureplay digital retailers and flexible payments provider. Through **Very** and **Littlewoods.com**, we combine over **2,000** famous brands across electrical, home, fashion and more with a simple online experience and flexible ways to pay provided via our **Very Pay** platform.

Very makes up **86%** of group revenue, our biggest and fastest growing brand selling everything from tech to tableware. Famous for a combination of big-name brands and on-trend fashion. **Littlewoods.com** was established in 1923, a family-focused digital multcategory store that has a loyal customer base. Headquartered in **Liverpool**, we also have offices in **London** and **Dublin** and fulfilment facilities in the **East Midlands** and **Wrexham**. We also have sourcing operations in **Turkey, India, Bangladesh, China** and **Malaysia**.

OUR PRODUCTS AND SUPPLY CHAIN

Our supply chain can be categorised into three groups:

Own brand, third party brands, and goods and services not for resale.

THIRD PARTY BRANDS

We provide our customers with access to over **2,000 brands** across fashion, electrical, home, and more. As part of our commitment to creating a sustainable future for our business and the communities in which we operate, we ask brands being on-boarded to **Very** and **Littlewoods** to complete 'The Very Basics'.

This self-assessment questionnaire covers **transparency, modern slavery, human rights, more sustainable materials, and animal welfare**. Responses to the questionnaire are reviewed by our in-house team and, where required, discussed with the brand.

We are also active participants in a cross-industry working group chaired by **The Industry We Want**, which is seeking to unify third party brand retailers in conducting consistent due diligence when it comes to social and environmental practices of partner brands.

GOODS NOT FOR RESALE (GNFR)

GNFR refers to purchased goods and services that are not sold to our customer but are instead used to support our operations and activities.

We have over **500 GNFR** suppliers.

Our organisation at a glance

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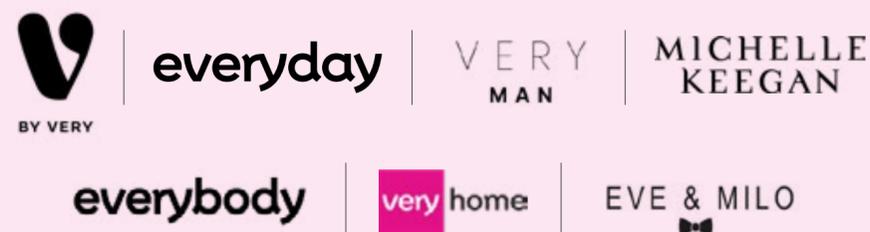
OWN BRAND

We have the greatest opportunity to influence and drive change within our own operations and the supply chain for our own brand products.

As of June 2024, **The Very Group** manufactured own brand products through **328 tier 1 factories** across **19 countries**, working with **184 suppliers**.

We have mapped over **140,000 workers** within those factories, of which approximately **51% are male** and **49% are female**. We have also mapped a further **129 priority tier 2 factories** across **13 countries**.

Transparency is fundamental in our approach to reporting on our supply chain. To that end, we publish our **tier 1** and **2** sites on the **Open Supply Hub** and update this list twice a year.



Our top 10 sourcing regions, representing 98% of our own brand product mix, are:

Country	Sourcing Mix % (units)	Global Slavery Index 2023 (estimated prevalence per 1000)
CHINA	47.88%	4.0
BANGLADESH	18.51%	7.1
INDIA	10.46%	8.0
TURKEY	7.93%	15.6
PAKISTAN	4.87%	10.6
SRI LANKA	2.83%	6.5
VIETNAM	2.50%	4.1
MALAYSIA	1.25%	6.3
ROMANIA	0.96%	7.5
UK	0.89%	1.8

Definitions of TVG's lower tiers within Own Brand supply chain

TVG	Own operations (offices and warehouses)
TIER 1	Main production
TIER 2	Outsourced process and product enhancement
TIER 3	Material production
TIER 4	Raw material processing
TIER 5	Raw material extraction

Governance

Overall accountability for activity taken to tackle modern slavery sits with the **ESG Committee**, a **tier 1 committee of the Board**. This report is also reviewed by the **Executive Team** and ultimately approved by the **CEO**.



POLICIES

During this reporting period a comprehensive policy review was undertaken. There are a number of policies in place to support our commitment to protecting and respecting human rights, many of which are relevant to modern slavery. These policies are aligned to internationally-recognised standards and based on the principles of the **International Labour Organisation's Declaration on Fundamental Principles and Rights at Work**, as well as the **Ethical Trading Initiative (ETI) Base Code**.

Code of Conduct:

Based on the **International Labour Organisation's** core standards as well as the **Ethical Trading Initiative Base Code**, the document reflects best practice industry standards being applied globally by responsible retailers. All business partners must commit to uphold the standards in this document prior to doing business with us.

Anti-bribery, corruption and conflicts of interest policy:

This establishes **The Very Group's** position on preventing and prohibiting bribery, in accordance with **the Bribery Act**. The **policy** applies to all individuals working for **The Very Group**, including senior managers, directors, employees' consultants, contractors, or any other person associated with the business.

Child labour and young worker policy:

This sets out the steps suppliers need to take to protect young workers and to make sure no children are involved in the manufacture of any of our products. If we discover child labour in our supply chain, this policy sets out our remediation process.

Migrant worker policy:

This details the steps suppliers and factories need to take to responsibly recruit migrant workers and ensure they receive the same rights and benefits as local workers. This **policy** also underlines the importance of the **Employer Pays principle**, reflecting **principle 1 of the Dhaka Principles for Migration with Dignity**.

A view of our public policies can be viewed [here](#)

Risk and actions

OUR APPROACH

We are committed to identifying and mitigating modern slavery risk in our business and supply chain. Our approach is insight-based, including detailed mapping of our business and supply chain, intelligence from expert stakeholders, desk-based research, audit data, and contributions from our colleagues and suppliers.

IDENTIFYING RISK

1. Location-based risk assessment

We refer to [Walk Free's Global Slavery Index](#) to understand the prevalence of modern slavery in our sourcing regions (see page 4).

2. Awareness of industry-wide risks

We maintain awareness of risks common to our industry which can be contributing factors to modern slavery. Those risks include but are not limited to: short lead times, use of agents, speed and price that do not meet ethical standards, delayed payments, and unapproved sub-contracting.

3. Monitoring and responding to world events

Major world events including political instability, climate change and armed conflict are widely noted to be driving migration, disruption in employment and access to education, subsequently creating a heightened risk of modern slavery in impacted areas.

We recognise the following groups of people to be most vulnerable to modern slavery and monitor the impact of world events on these demographics: migrant workers, minority groups, homeworkers, contract workers, agency workers, temporary workers, young workers, and female workers.

4. Participation in cross industry working groups

We participate in forums such as the **UNGC Modern Slavery Working Group**, **The Centre for Child Rights**, **UNGC Just Transition Working Group** and **Ethical trading Initiative forums**.

KEY RISKS

This year we worked with an expert advisory firm to conduct a human rights salience risk review of our value chain. This process has facilitated the prioritisation of risk and continues to inform our approach to identifying, preventing and mitigating human rights risk. The assessment established that the risk of forced labour is most prevalent in our upstream value chain and own operations.



Salient human rights

Our salient human rights concerns include wages and income, working hours and excessive overtime, forced labour, health and safety, and precarious jobs. We will examine each of these issues through the lenses of gender, voice, and climate impact to fully understand their influence on human rights.

To determine the prevalence of these salient risks by country, we plan to utilise a number of sources available to us including the **World Bank Government Indicators**, the **ITUC Global Rights Index**, and **Walk Free's Global Slavery Index**.

Our assessment will incorporate findings from third-party audits and evaluate our suppliers' ability to address and resolve non-conformances. Additionally, we will leverage our on-the-ground knowledge from factory visits to provide a comprehensive view, including exploring insights from the workers' voice. Furthermore, we will actively seek feedback from **NGOs** and external organisations to ensure our approach is comprehensive and aligned with best practices. Their insights will be invaluable in refining our strategies and addressing any gaps in our human rights due diligence.



In **FY24**, our risk assessment processes recognised the following issues as presenting the highest risk of modern slavery in our business and supply chain:

- Use of labour agencies in our own operations and our supply chain
- Lower tiers of our supply chain, where we have reduced visibility
- Migrant workers entering recruitment in our supply chain



Due diligence

Adopting a systematic approach to due diligence is a key priority for **TVG**. We recognise the limitations of social audits as a means to conduct due diligence and without appropriate processes to identify and prevent negative human rights impact, our value chain is vulnerable to modern slavery.

We utilise a number of tools to conduct due diligence including:

- Annual audit programme at tier 1
- Expansion of audit programme into tier 2
- Worker Voice Solutions
- Everyones Business app for supplier facing colleagues
- Worker Resource Centres
- Modern Slavery Helpline
- Training and workshops for suppliers and internal stakeholders
- Whistleblowing hotline
- Internal audit programme
- Policies and contractual controls

Social audits of factories in our supply chain

Social audits provide a snapshot of working conditions in a factory on a given day and are a useful tool in enabling us to identify modern slavery risks in our supply chain. Our audit programme consists of a combination of assessments conducted by nominated third party audit companies and our in-house team. The audits use local law, **The Very Group's Code of Conduct** and the **ETI Base Code** to identify risks and areas for us to work with factories to improve.

Our audits are conducted on semi announced or unannounced basis. We work closely with suppliers to support them with remediation of critical issues, and we address root causes to ensure preventative measures are in place to mitigate future risk.



Factory visits from our in-house team

Our in-house teams carry out regular visits to factories to offer advice and support on improving issues and implementing best practice.

Everyone's business

Our in-house teams are encouraged to use the **Everyone's Business** app during routine visits to **tier 1 factories**. The app is a human rights toolkit that supports users with identifying and reporting potential issues. Issues entered into the app are analysed by our **ESG Team** and modern slavery flags are escalated for investigation.

Unauthorised subcontracting

This year we developed an enhanced approach to identifying unauthorised subcontracting in our product supply chain with the intention of ensuring the visibility of our supply chain and being able to ensure safe working conditions. All **tier 1 factories** must be approved by the **ESG team** before production can take place, unannounced visits take place by our in-house teams to ensure traceability of our production.

Empowering worker voices

We are working towards providing **mechanisms** which empower all workers to use their voice to share their views and importantly raise grievances.

Our work in this area includes:

India: In collaboration with five industry peers, we promoted the use of **Timby** throughout factories and communities in South India. **Timby** is an app which allows workers to raise concerns and grievances, and access support and remedies. This year, 40 grievances were raised, 35 have been resolved and 5 are pending remediation.

Bangladesh: Promoting the **RSC Accord helpline**, which provides workers with a mechanism to report and resolve concerns around safety or other issues.

UK: We are founding members of the **Fashion Workers Advice Bureau (FAB-L)**, a community engagement programme in Leicester, providing essential support and advice for garment workers, and business partners of anti-slavery charity **Unseen UK**. Unseen's modern slavery hotline is actively promoted in our UK supply base.

Turkey: This year our partner **Müdem** expanded its existing **Workers Support Centre's** scope to support all workers employed in Turkish factories. Workers are able to anonymously raise grievances and complaints and receive support in resolving them. Currently five of our Turkish factories participate in this project.





Training

We believe that preventing modern slavery in our business and supply chain is the responsibility of all colleagues at **The Very Group**, as well as our suppliers and partners.

In **FY24**, we refreshed our mandatory annual e-learning for desk-based colleagues and held workshops for colleagues and suppliers.

We provide updates and raise awareness of modern slavery risks to our **ESG Committee and Executive Team**, as well as to frontline colleagues, to help us find solutions to mitigate these challenges.



Other actions taken in FY24 include:

Location	Action and impact
Global	Refreshed our policies including our Code of Conduct, Access to Remedy and Grievance Mechanism policy, Child Labour and Young Worker policy, Homeworking in Supply Chain policy and Migrant Labour policy. Trainings were held with colleagues and suppliers to update and promote our social policies.
China	Continued our partnership with Inno focussed on women's empowerment through personal and professional skills training. A 'train the trainer' model has been launched in two of our strategic suppliers and will start to engage workers in FY25.
China	Recognising the risk to young workers and increased risk of child labour during the summer holidays, we hosted an ethical recruitment training session for our suppliers focussed on ethical recruitment principles, partner expectations and the sharing of best practice.
India	Continued our work in South India across five districts to support migrant workers in the regions who often face discrimination, risk exploitation through agency employment and lack awareness of their rights.
India	In partnership with one of our suppliers, we have started working with the Ethical Trading Initiative (ETI) on its Gender Data Initiative. The initiative aims to use learnings from the process of collecting gender-disaggregated supply chain data to conduct effective human rights due diligence.
Turkey	We continue to work with two NGOs, Müdem and United Work, to protect refugee workers found in our supply chain. We currently have 12 refugee workers legally in employment in our tier 1 and 2 factories.
Bangladesh	Recognising the impact of climate change on decent work, TVG partook in a pilot with the Ethical Trading Initiative to enhance social dialogue on climate change related issues.
Pakistan	We signed the Pakistan Accord and will support this initiative, including its grievance mechanism throughout our supply base in Pakistan
UK	Continued our partnership with FAB-L, a community-run initiative, funded by brands and retailers such as TVG as well as trade unions. The centre is focused on making a positive impact on the lives of workers by offering free support on a range of issues including workers' rights.

Case study

International Transport Workers Federation

We have been working with the **International Transport Workers Federation (ITF)** to get a better understanding of our shipping supply chain and the impact that we have on seafarers working on board the vessels handling our goods.

Seafarers have an increased likelihood of experiencing human rights abuses at sea due to a lack of transparency within the shipping industry.

ITF is a democratic affiliate-led federation, made up of **740** transport trade unions who represent the voices of nearly **18.5 million** people worldwide.

Part of their work involves:

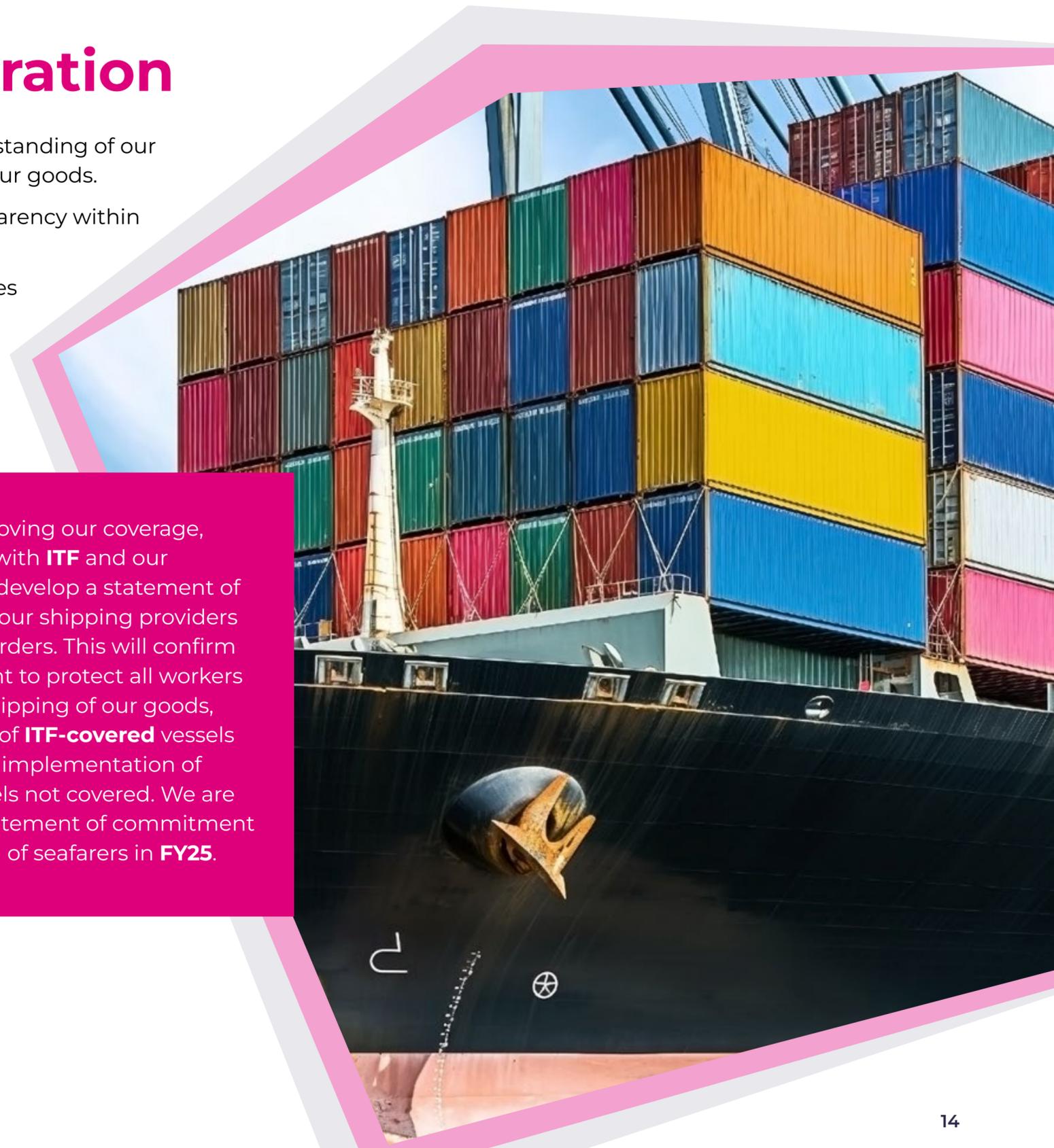
- Protecting seafarers' rights
- Improving working conditions for seafarers
- Supporting seafarers with grievances and remediation

This can be achieved by ensuring the vessels we use have **ITF acceptable Collective Bargaining Agreements (CBAs)** implemented onboard. These **CBAs** provide us with assurances that conditions on board are safer, workers are able to negotiate fair wages and **ITF** inspectors have the right to go on board to audit and speak with workers.

In **FY24** we conducted two **Rights Check** reports with **ITF** of all vessels used in **FY23** and **FY24**.

- In **FY23 88.7%** of all vessels identified were covered by **ITF** approved or acceptable **CBAs**
- In **FY24 95.3%** of all vessels identified were covered by **ITF** approved or acceptable **CBAs**

To continue improving our coverage, we have worked with **ITF** and our logistics team to develop a statement of commitment for our shipping providers and freight forwarders. This will confirm their commitment to protect all workers involved in the shipping of our goods, prioritise the use of **ITF-covered** vessels and promote the implementation of **ITF CBAs** in vessels not covered. We are launching the statement of commitment for the protection of seafarers in **FY25**.



Case study

Use of migrant labour in Malaysia

Malaysia is an important sourcing region for **TVG** with respect to the supply of furniture. As an industry, the furniture manufacturing sector in the region is heavily reliant on migrant labour from Bangladesh and Nepal. Migrant workers are commonly recruited through labour agents and on their journey into Malaysia find themselves paying substantial fees to get work. Per our **Migrant Labour Policy**, we require our suppliers to adopt the **Supplier Pays Principle**. This year four factories reimbursed workers for recruitment fees they incurred.

A total of **705 workers** were reimbursed amounts between **RM 2000 – RM 3300 (GBP 336 – GBP 560)**, covering Bangladeshi, Nepali and Burmese workers. Among these four factories, two factories have reimbursed all of the workers on site and started sending factory representatives to the departure country during recruitment.

Furthermore, we have enhanced our due diligence approach to include:

- Agreement from **100%** of our **Tier 1** to implement responsible recruitment practices
- Training provided to **100%** of **Tier 1** on responsible recruitment
- Departure and receiving country agent mapping completed for **100%** of **Tier 1** and updated yearly.
- Interviews and training conducted with five labour agents
- Migrant labour policy updated and circulated among all suppliers
- **Just Good Work app** is incorporated in pre-departure stage with one supplier and all factories trained on the app for existing workers. Should migrant labour recruitment be reinstated in Malaysia, **Just Good Work** will be used during recruitment more broadly





Our partners

We recognise that some of the challenges we face in identifying and preventing modern slavery in our business and supply chain are complex. Therefore, we partner with external organisations to share best practice, gain access to diverse expertise, and help us make the most meaningful impact possible. We ensure that we are active participants in any initiative that we commit to, and only partner with organisations we know can add value throughout our supply chain and the communities we operate in. We also continue to build and maintain strong relationships with other stakeholders including NGOs, trade unions and government departments.



The year ahead

ACTIONS FOR FY24/25

Strengthen our approach to human rights diligence and transition away from a compliance focused programme

Continue to monitor existing and emerging modern slavery risks and identify collaborative opportunities to mitigate these risks at scale

Achieve greater transparency of our supply chain, reaching tier 3 visibility

Continue to develop how we work with our labour provider in the UK and work to ensure ethical recruitment practices are maintained

Continue to deliver annual colleague training on modern slavery and broader human rights risks across our organisation

Continue to collaborate with the International Transport Workers Federation to understand welfare of workers in our global transport network

Continue to seek guidance and support from our partners and expert organisations as we tackle modern slavery and broader human rights risks

