

MADE⁺

2021 Modern Slavery Statement

00

Introduction

This statement is made pursuant to section 54 of the Modern Slavery Act 2015. It details the steps that Made.com Design Ltd (“MADE”) has taken - and is continuing to take - to ensure that modern slavery and human trafficking is not taking place within our product business or supply chain. This statement details MADE’s actions to combat modern slavery in our product supply chain from 1 January 2021 to 31 December 2021.

Our Commitment

“At MADE we’re wholeheartedly committed to being a responsible business that thinks beyond products and packaging to the people we employ and the designers and suppliers we work with. We do what’s right and act with integrity by ensuring we treat our customers, collaborators, colleagues and suppliers with respect, honesty and fairness. Our strategy clearly sets out our ambition to make a positive and lasting impact on the communities we work in, which includes building sustainable supply chains that champion and uphold ethical practice. There’s no place for forced labour and exploitation in our operations and we’re working tirelessly to prevent and eradicate this in all its forms.”

Nicola Thompson
CEO, MADE.COM

01

Modern Slavery Definition

The Ethical Trading Initiative (ETI) (see www.ethicaltrade.org), an umbrella organisation which assists businesses in working and trading ethically, defines modern slavery as a term used to describe a number of specific issues, including human trafficking, forced and compulsory labour, debt bondage, slavery, servitude, and the worst forms of child labour and slavery.

MADE has a zero-tolerance approach to any form of modern slavery. We're committed to acting in an ethical manner with integrity and transparency in all of our business dealings. We're also committed to establishing effective systems and controls in order to safeguard against any form of modern slavery taking place within our business or our product supply chains.

02

Our Organisation

MADE is the leading digitally native lifestyle brand in home, disrupting the industry with high-quality, exclusive designs underpinned by a responsible, small-batch production model, enabling customers to realise the vision of their homes. We collaborate with talented designers and work closely with suppliers across the world to offer consumers unique furniture, homeware and lifestyle products at affordable prices. MADE is incorporated in England and Wales with company number 07101408 and is a wholly owned subsidiary of Made.com Group PLC, a company incorporated in England and Wales under company number 13346124. MADE has employees based in the United Kingdom, certain European countries, China and Vietnam.

Governance structure:
MADE works cross-departmentally to implement tools and systems to prevent modern slavery and labour exploitation in our own operations and our manufacturing supply chain. The functions of sustainability, sourcing and quality report into the Chief Product and Sourcing Officer who sits on the MADE Executive Leadership Team (ELT). The Chief Product and Sourcing Officer is kept aware of risks and where necessary reports to the wider ELT and Board. In 2021, we appointed a Sustainable Sourcing Director to lead on implementation of our sustainability and modern slavery targets to 2025, taking our dedicated sustainability resource to three full time personnel.

03

Our Product Supply Chain

KEY FACTS & FIGURES

It takes a global team of artisans and furniture-makers to create our products and we remain committed to building and maintaining our relationships with our Tier 1 partners. While we don't own any factories we choose to only collaborate with manufacturers who share and uphold our values and standards. We work with over 190 Tier 1 manufacturing units across 17 countries. 75.5% of our Tier 1 manufacturing units are in Asia and 25.5% of our Tier 1 manufacturing units are in Europe. In addition to our European sourcing office in London, UK, we have local teams in our main sourcing regions of Vietnam and China. These teams visit our factories regularly.



Transparency is a core value of the MADE sustainability programme. In order to address risk within our supply base we have to have visibility of the full remit of said supply base. So far we've mapped 100% of our Tier 1 sites and are making progress right the way to raw material level. We're committed to continuous improvement in this area, by continuing to strategically map lower tiers.

TIER LEVEL	DEFINITION	STATUS
TIER 1	Manufacturing units where the majority or main production takes place. It can also be the site where the product is assembled or shipped from. This facility is usually owned or contracted by the supplier or buying agent.	Fully mapped
TIER 2	Tier 1 subcontracted units. Components and hardware suppliers. Labels and packaging suppliers.	Mapping on-going
TIER 3	Raw materials processing. Mills and tanneries etc.	Mapping on-going
TIER 4	Raw material origin. Extraction/cultivation. Farms, forests etc.	Mapping on-going

04

Our Material Risks

At MADE, in order to perform targeted and effective due diligence on our supply base, we use external indicator tools such as the Global Slavery Index (GSI) and the International Trade Union Confederation (ITUC) labour rights index. We're committed to continuing to periodically update our risk mapping procedures to ensure that we prioritise salient risk. "Our Achievements and Intentions" section of this statement, outlines how we're responding to the key risks that we've identified.

VULNERABLE GROUPS	TYPICAL AREA OF WORK (NON-SPECIFIC TO MADE)	POTENTIAL PREVALENCE (MADE SUPPLY CHAINS)
Women	Women are particularly vulnerable to labour exploitation. Inequality based on gender can be seen in all tiers of a supply chain and across all product areas. However, women are particularly prevalent in homeworking supply chains.	<ul style="list-style-type: none"> • There's potential risk in all tiers, however furniture supply chains worker demographics are generally more skewed towards a higher prevalence of male workers. • There's also potential risk in specific categories of products for example handwoven products like rugs and baskets. • There's possible risk in our supply chains in known high prevalence countries.
Migrant workers	Migrant workers can be vulnerable to exploitation due to lack of understanding of their employment rights. Migrant workers can be found in all tiers of a supply chain and across all product areas.	<ul style="list-style-type: none"> • There's possible risk in our supply chains in known high prevalence countries.
Minority groups including refugees	Refugees and other minority groups are vulnerable to all types of modern slavery. Often refugees can be vulnerable to exploitation due to lack of understanding of their rights and lack of access to legal work. Minority groups can be found in all tiers of a supply chain and across all product areas.	<ul style="list-style-type: none"> • There's possible risk in our supply chains in known high prevalence countries.
Homeworkers	Homeworkers often work in informal home based settings and often don't receive the same rights and protection as other workers. Products typically made by homeworkers include rugs and baskets etc. Homeworking is an area of intersecting vulnerabilities as this group of workers is likely to include women and children.	<ul style="list-style-type: none"> • There's possible risk in our supply chains in known high prevalence countries.
Contract/agency workers	Contract and agency workers usually perform seasonal work and specialist processes. The COVID-19 pandemic has also increased the likelihood of temporary labour being used due to labour shortages.	<ul style="list-style-type: none"> • Contract and agency workers are prevalent in warehousing and logistics. • There's possible risk in our supply chains in known high prevalence countries.
Children and Young Workers	Children and young workers are vulnerable to all forms of labour exploitation. Whilst they can be found in all tier levels, for all types of products, high prevalence areas are subcontracted processes and homeworking locations. The COVID-19 pandemic has also increased the likelihood of child labour due to job and income losses among vulnerable families.	<ul style="list-style-type: none"> • There's potential risk lower down the supply chain in lower tier sites and subcontracted processes. • There's potential risk in homework products such as rugs and baskets. • There's possible risk in our supply chains in known high prevalence countries.
Seasonal workers	Seasonal workers are most prevalent in food and farming.	<ul style="list-style-type: none"> • Raw material supply chains are where seasonal workers are usually found.

05

Our Due Diligence Processes

We know that at the on-boarding stage we have considerable leverage with our factories in terms of instilling our ethical trading requirements ahead of relationship commencement.

Our on-boarding processes for manufacturing facilities include the requirement of several contractual commitments around ethical standards as part of the supplier terms and conditions that they sign. All suppliers must adhere to all applicable laws regulating child working and bonded labour; they must not under any circumstances or on any basis, engage any person under the age of 15; and must maintain appropriate workplace health, safety and welfare conditions. Our suppliers also agree to assist and cooperate with us on any due diligence checks, audits, and inspections that we may undertake to verify their compliance with these commitments.

Our risk assessment does not stop at the on-boarding stage. For on-going due diligence, we use independent, third party social audits as one tool to gain visibility into working conditions including labour exploitation and modern slavery in our supply chain. This is supported through regular visits by our teams on the ground in Vietnam and China which gives us further visibility and assurance into adherence. Our audits enforce the expected standards laid out in our MADE Responsibility Policies and all the audits we commission through our third party review flags of modern slavery.

06

Our Policies

Direct Operations

We operate a number of internal policies to ensure that we minimise the risk of harm associated with modern slavery and human trafficking in our direct business operations, as well as with related matters such as unsatisfactory working conditions and discrimination. These policies are also designed, more generally, to ensure that we're conducting business in an ethical and transparent manner. These policies include:

- Recruitment policies. We conduct eligibility-to-work checks for all employees globally to safeguard against human trafficking or individuals being forced to work against their will.
- Employee policies. We have employee policies on health and safety, grievance procedures, and anti-corruption.
- Whistleblowing policy and worker hotline. In 2021 we added a policy on disclosing malpractice at our workplace which applies to all those working at our workplace. As part of this policy, we implemented a confidential and anonymous reporting service, through the provider Safecall.

Supply Chain Policies

In 2021 we created a suite of supply chain policies, known collectively as the MADE Responsibility Policies. These policies outline our minimum requirements to our supply chain partners and are designed to protect and respect the rights of workers in our supply chain. We review these on a regular basis to ensure that they reflect global developments. Two particular policies that relate to modern slavery are: the supplier code of conduct which is based on the ETI base code and outlines the requirements of a supply chain free of forced, bonded or involuntary prison labour; and the cotton sourcing policy which bans sourcing from regions where there are known international concerns regarding forced labour and other human rights abuses, for example Uzbekistan, Turkmenistan and Xinjiang in China.

The MADE Responsibility Policies constitute:

- Supplier Code of Conduct
- Cotton Sourcing Policy
- Timber Sourcing Policy
- Animal Derived Material Policy

07

Our Achievements and Intentions

“Slave-Free Alliance are proud to be partnering with MADE on their dynamic training agenda which equips employees to play their roles in mitigating risks of modern slavery and labour exploitation. This past year, we collaborated to develop engaging, tailored content and delivered in-person and digital training to MADE employees across their head office functions. MADE have accelerated their sustainability agenda and are committed to creating meaningful change in the furniture industry - this training programme is testament to their commitment. We look forward to continuing our partnership this coming year.”

Rachel Hartley

Training & Technical Team Lead, Slave-Free Alliance

07

Our Achievements and Intentions

Following risk mapping of labour rights risks and potentially vulnerable groups of workers (see Our Material Risks), we've built on our 2021 achievements to focus on some of these key risks in 2022.

WORKSTREAMS	2021 ACHIEVEMENTS	2022 INTENTIONS
Transparency	<p>Transparency is a core value of the MADE sustainability programme and so in 2021 we published the results of sustainability strategy in our first annual report as a publicly listed company.</p> <p>We maintained our visibility of our Tier 1 factory base and began to scope priority areas to map our lower tiers.</p>	<p>We continue to commit to being transparent with our customers by reporting on our sustainability strategy publicly.</p> <p>In terms of product supply chain transparency, we commit to mapping strategic Tier 2 and Tier 3 facilities this year, in order to identify potential labour issues.</p>
Protecting Vulnerable Workers	<p>We reviewed and updated our supply chain Code of Conduct, in line with the globally recognised Ethical Trading Initiative (ETI) base code. Our Code of Conduct includes strict prohibition on all forms of modern slavery.</p> <p>We developed a further suite of responsibility policies and rolled these out into the supply base.</p>	<p>We intend to add additional policies to this suite, for example, a child labour and young worker remediation policy, this particular policy will outline the steps required to remedy any cases on child labour should they be discovered in the MADE supply chain.</p>
Collaboration	<p>We were successful in becoming ETI Foundation members and have actively taken part in a number of industry working groups.</p> <p>The ETI is a membership organisation that comprises multiple stakeholders including trade unions, brands and NGOs. The ETI and its members work together to tackle the many complex questions surrounding what steps companies should take to trade ethically. We're proud to align ourselves with like-minded companies in our work to eradicate modern slavery.</p>	<p>We continue to work towards full ETI membership graduation by May 2023. We'll continue to have regular touch points with the ETI membership function to review our progress against the ETI progression framework.</p>
Supply Chain Due Diligence	<p>Our factory on-boarding process was created in 2021, in order to ensure that we only bring on board supply chain partners that share and uphold our values and standards. Factories that don't meet our standards are rejected until they can prove that they do.</p> <p>After on-boarding, all Tier 1 factories then fall into our updated audit programme. In 2021, we ensured that 100% of Tier 1 sites are covered by an independent, third party social audit. A process was also built into this programme to review corrective actions and follow these up with the supplier. We also used our in-region teams to remediate non-conformances - high-risk sites are prioritised for re-audits.</p> <p>In the UK we began working with a specialist audit and worker welfare assessment provider Ethical Social Matters to develop a UK specific audit methodology that tackles known region specific endemic issues.</p>	<p>We're committed to building on the foundations of our audit programme and assessing strategic Tier 2 and Tier 3 facilities. Further to this, we intend to use our UK audit methodology to audit our MADE operated warehouse.</p>

07

Our Achievements and Intentions

WORKSTREAMS	2021 ACHIEVEMENTS	2022 INTENTIONS
Modern Slavery	<p>We initiated our 2021 modern slavery commitments by increasing the understanding of the topic within the business. We carried out specialised training sessions delivered by the anti-slavery charity, Slave Free Alliance, for: our Executive Leadership Team and 75 MADE team members from our product, logistics, legal and HR teams.</p> <p>Across the business we also marked Anti-Slavery week 2021 with business wide workplace posts and a session in our monthly all company meeting “All Hands” on spotting the signs of modern slavery.</p>	<p>We intend to continue our work with Slave Free Alliance to train all our MADE operated warehouse operatives including labour agents used at our warehouse on spotting the signs of modern slavery. We’ll also train our UK customer service agents through digital training too.</p> <p>Further to this, we commit to rolling out digital, compulsory new-starter training on modern slavery to 100% of MADE employees.</p>
Capacity Building	<p>We appointed a Sustainable Sourcing Director to lead on implementation of our sustainability and modern slavery targets to 2025, taking our dedicated sustainability resource to three full time personnel.</p>	<p>Capacity building through specialist guided training, is fundamental to preventing labour exploitation and human rights abuses. We’re committing to sending junior members of our sustainability team on ETI training to order build capacity within the team on identifying and managing labour exploitation.</p> <p>MADE also intends to bolster the resource in the sustainability head office team, by recruiting a mid-level management position with expertise in ethical trade.</p>
Worker Voice	<p>In 2021 we added a policy on disclosing malpractice which applies to all those working at our workplaces. As part of this policy, we implemented a confidential and anonymous reporting service, through the provider Safecall.</p>	<p>We aim to build on the work done within the direct business with our whistleblowing hotline by committing to rolling out an additional whistleblowing hotline for use by the workers in our supply chain. This hotline will allow manufacturing workers to raise concerns directly to MADE, anonymously and confidentially. Completing this work thoroughly and ensuring that the hotline is a trusted method of remediation will take time. We intend to roll this out in strategic regions and with specific supply chains in 2022 and build on this roll out in the future.</p>

Nicola Thompson

CEO



30-Jun-2022

This statement was approved by the Board of Directors of each of MADE’s parent company, Made.com Group plc, on 12/05/22.