MODERN SLAVERY AND HUMAN TRAFFICKING STATEMENT

About Matalan and its Commitment to Opposing Modern Slavery

Introduction

Matalan is a leading out of town fashion and homewares retailer operating online and through 232 stores across the UK and through 35 overseas franchise stores. We employ over 15,000 people in the UK in our stores, head office and two distribution centres.

The majority of the product we sell both online and in store are our own brand. They include men’s, ladies’ and children’s clothing; footwear and accessories and a wide range of homeware which we source directly from the manufacturers. These products are supplied to us from over 700 factories in 26 countries worldwide.

In 2017 we published our first Modern Slavery and Human Trafficking Statement outlining the steps we are taking to reduce the risks associated with modern day slavery in our supply chain. Since then, we have further increased our efforts and have made the following progress to enhance our approach to tackle modern day slavery and human trafficking.

We behave in a responsible and ethical way and take the issue of modern-day slavery and human trafficking extremely seriously. We are fully committed to taking action to combat modern day slavery and human trafficking and to uphold human rights across all of our business and our supply chain.

Dave Mellett our Sourcing & Imports Director is accountable for Matalan’s CSR and Sustainability directives across the business.

Knowing where our products are manufactured is fundamental to our business to ensure that we approach the issue of dealing with modern day slavery and human trafficking, in our supply chain.

Structure and Supply Chain Transparency

Our suppliers list can be viewed here: [View The List]

As of 31st March 2021, our Main Countries of Production are:

- Bangladesh
- Cambodia
- China
- [Continue list]

FREE CLICK AND COLLECT*
Delivered between 8am-8pm, Monday-Friday

FREE DELIVERY ON ORDERS OVER £40*
Usually delivered within 5 days*

FREE RETURNS TO STORES*
Return for free to your local store

*Conditions apply
Ethical audits have been carried out in all our factories, with this being an annual process. The Corrective action Points (CAP’s) are taken seriously and form part of the risk assessment program. In addition to the ethical audits, Technical audits are carried out on a 24-month rolling plan. In most instances CAP’s are used as a development tool to improve all conditions and are generally looked upon as being a constant pro-active tool for overall improvement of the supplier, factory and global standards for ethical and improvements.

Our nominated trim suppliers all need to go through an approval process (carried out by Matalan) where they are expected to demonstrate that Matalan policies mirror those in their own assessment processes.

Our Policies

Ethical

We require all our Suppliers, and factories involved in the manufacture of goods to be sold in our stores to comply with our Ethical Trading Policy.

We are members of the Supplier Ethical Data Exchange (Sedex) and we also require our suppliers and their factories to become members & link with us on the SEDEX platform which is a sophisticated tool that provides detailed data analysis tools for internal monitoring.

Our audit standards are based on the Ethical Trading Initiative (ETI) Base Code. Our standards are formally checked on a regular basis by a limited number of approved independent leading auditing companies. This monitoring of worker conditions in garment factories will continue to happen on an annual basis.

Code of Conduct

In addition to the 3rd party audit requirement all suppliers are required to sign documentation confirming their factories comply with Matalan Sourcing Policy and commit to meeting our Code of Conduct as a condition of doing business with us.

Key clauses in relation to Modern Slavery are:

1. Employment is freely chosen
1.1 There is no forced, bonded or involuntary prison labour.
1.2 Workers are not required to lodge “deposits” or their identity papers with their employer and are free to leave their employer after reasonable notice.

2. Freedom of association and the right to collective bargaining are respected
2.1 Workers, without distinction, have the right to join or form trade unions of their own choosing and to bargain collectively.

2.2 The employer adopts an open attitude towards the activities of trade unions and their organisational activities.

2.3 Workers representatives are not discriminated against and have access to carry out their representative functions in the workplace.

Anti-Bribery and Human Trafficking

We recognise that what is normal business practice in one country may not be acceptable in another, nevertheless Matalan is committed to conduct its business in an honest and ethical manner. We take a zero-tolerance approach to bribery and corruption and are committed to acting professionally, fairly and with integrity in all our business dealings and relationships wherever we operate.

Our Suppliers of goods, their factories and any associated 3rd party partners within our Supply Chain are also required to comply with our Anti-Slavery and Human Trafficking Policy for Suppliers which demonstrates our zero-tolerance approach to modern slavery.

We also ensure that all new contracts with franchise partners and key Suppliers of services include contractual obligations to comply with our Anti-Slavery and Human Trafficking Policy for Suppliers.

Please see our policy here:

The Matalan Anti-Corruption & Bribery Policy is mandatory for everyone we work with, including our suppliers and agents who must commit to the principles detailed in it.

Whistleblowing

Our Whistleblowing policy details a number of ways that employees can report any allegations of modern slavery, fraud, misconduct or wrongdoing, through either telephoning the confidential hotline hot-line on 0151 556 6996, emailing the confidential inbox (confidential@matalan.co.uk), or by writing to us (Perimeter Road, Knowsley, Liverpool, L33 7SZ).

Employees are encouraged to raise any concerns through the appropriate channels, so that we can address them. We take steps to ensure that employees are protected from victimisation and any detrimental treatment arising from whistleblowing.

Due Diligence

We fully support the UN Universal Declaration of Human Rights and the International Declaration on Fundamental Principles and Rights at Work.

We are a member of SEDEX, a Brand Signatory to the Bangladesh Accord and the more recent 2018 Transition Accord which is committed to working with the Steering Group to help achieve its goals.

We have an audit process in place which ensures that, as a minimum, Suppliers’ factories meet the Ethical Trading Initiative Base Code and therefore our Ethical Trading Policy. All our Suppliers’ factories are audited annually.

The audit process supports and facilitates our continual improvement programme through which we work with our Suppliers and their factories to deal with any issues found on audits and to continually raise the level of workers’ conditions.
Before we work with a new Supplier of fashion or homeware goods, we undertake a risk assessment which includes requirements for the Supplier to identify all of the factories they are proposing to use for Matalan production and provide a third-party ethical audit report in relation to each of those factories. Such third-party ethical audit reports must be under 12 months old. If we approve the Supplier, then that Supplier's factories will then fall under our own audit process and continual improvement programme outlined above.

In circumstances where we identify particular areas of higher risk in our supply chain, we undertake further due diligence outside of our normal audit process. This has included unannounced inspections of Supplier's factories and premises to ensure compliance with our Ethical Trading Policy and our Anti-Slavery and Human Trafficking Policy for Suppliers.

We recognise the crucial role of partnerships in tackling Modern Slavery. In the past year, we have continued to build on our partnerships with the following organisations:

- Supplier Ethical Data Exchange (Sedex)
- British Retail Consortium (BRC)
- Better Cotton Initiative (BCI)
- Better Work Cambodia

At Matalan, we take ethical sourcing extremely seriously and we have a robust direct ethical sourcing policy in place to ensure our supply chain is transparent and closely monitored. We recognise our responsibility to minimise the potential of causing harm to the environment and we strive to sustain and improve the environment through the careful consideration of design, selection of materials and managed operational procedures.

Matalan is a proud member of Better Cotton Initiative (BCI), the largest cotton sustainability programme in the world. As part of our broader sustainability strategy, we are in the process of enhancing our viscose sourcing policy including via robust supply chain mapping, internal and external auditing and fabric & fibre mill nomination where applicable.

Since we published our first Modern Slavery and Human Trafficking Statement back in 2017, we have further increased our efforts and have made the following progress to enhance our approach to tackle modern day slavery and human trafficking.

Matalan has a varied supply chain sourcing fashion clothing, footwear and homeware from 26 countries worldwide which includes China, Bangladesh, India, Cambodia and Turkey.

We have identified the following issues and outlined our steps taken to prevent and address these risks.

- Cotton in Xinjiang Uyghur Region, China
In October 2020 BCI took the decision to cease all field level activities in the Xinjiang Uyghur Autonomous Region of China. We support this decision and continue to increase the percentage of BCI cotton in our sourcing.

Matalan is in Year 1 (as of 2020) of a three-year sustainable cotton roadmap. Our target is that by 2023 all our cotton-based products will be BCI Cotton, which we believe is a more sustainable and ethical source for this key fibre. We are currently approximately 20% of the way towards our target of 100% more sustainable cotton. In addition, we have a limited amount of Egyptian cotton in our supply chain.

For all suppliers who are not currently using BCI cotton, we have actioned an enhanced compliance requirement, via our B2B website (Appendix 6), requiring all suppliers to ensure they are not sourcing raw materials or products from the Xinjiang Uyghur Autonomous Region of China, and we have received confirmation that for 100% of suppliers this is the case. These will be reconfirmed every 6 months.

Migrant workers in Turkey

In 2017/18 the Matalan Ethical Team conducted unannounced audits in all of our Turkey Suppliers and their factories to ensure there were no illegal or underage workers being employed.

The visits provided insights to the problems of Syrian workers being employed illegally in Turkey. At the time of the visits, it was established that no Syrian workers were employed by any of our Suppliers illegally.

However, we did find historical evidence that 2 factories had originally employed illegal Syrian workers but had subsequently paid all the monies owed to those workers. This evidence was verified by conducting worker interviews and through 3rd party independent verification audits.

Unannounced audits in our UK Supply Chain

The Matalan Ethical Team unannounced audit program has been expanded in 2020 to cover all UK Suppliers and their factories in order to clearly demonstrate Matalan's intention to tackle modern day slavery and human trafficking & ensure no illegal or underage workers being employed.

Training

Matalan has previously conducted Modern Day Slavery Training for our head office employees including sourcing and buying teams. The training gives colleagues insights into what is modern day slavery, who may be affected, how to spot the signs and how to report suspicions when visiting suppliers and their factories both nationally and internationally.

Throughout 2020, all our new starters were required to read and understand our Anti-Slavery and Human Trafficking policy and sign declaration confirming this.

Matalan will continue to review and further enhance the training programme where relevant including extending the delivery to its supply chain throughout 2021 and 2022.

Our Commitment – How we will build on what we are doing

Modern slavery is an ongoing risk. As such we are committed to continuously review and improve the effectiveness of the steps we take to prevent modern slavery in our business or in our supply chain.
Matalan is committed to continuously review and improve the effectiveness of the steps we take in preventing modern day slavery and human trafficking.

We will continue to work in a collaborative way with other retailers, NGO's and other membership organisations to tackle all issues around modern-day slavery and human trafficking.

This statement has been approved by the Board of Matalan Retail Limited and constitutes our slavery and human trafficking statement for the financial year ended February 2021.

Signed by Stephen Johnson
Chairman
Matalan Retail Limited
8th April 2021