

## Modern Slavery Statement

### 1. INTRODUCTION

The Modern Slavery Act 2015 (“the Act”) came into effect on the 29<sup>th</sup> October 2015. This statement is pursuant to section 54(1) of the Act and constitutes IG Design Group UK Ltd’s (“Design Group UK”) Modern Slavery Statement for financial year ending 31<sup>st</sup> March 2019.

As an ethical company, we respect the human rights of everyone who works for us and those who work on our behalf. IG Design Group UK Ltd is committed to the prevention of slavery and human trafficking in all its forms and will not tolerate or condone it within any part of its business or supply chains. We expect similar standards from our business partners.

### 2. OUR ORGANISATION

Design Group UK is one of the country’s largest manufacturers and distributors of Christmas crackers, gift wrap, greetings cards, stationery and creative play products. Offering customers both branded and bespoke solutions across a range of product categories, Design Group UK serves retail customers of all sizes.

Operating from three locations in South Wales, Newport Pagnell and Stapleford, Design Group UK designs, manufactures, sources and distributes products to customers throughout the UK, mainland Europe and beyond.

Design Group UK is a part of IG Design Group Plc (“Group”) – a diverse group of companies operating across multiple regions, categories, seasons and brands.

### 3. OUR POLICIES AND PROCEDURES

We operate a number of policies and procedures which support our commitment to preventing slavery and human trafficking. They apply to all our employees and anyone engaged on a temporary basis.

- **Code of Business Conduct Policy** - outlines the standards and behaviours that Design Group expects from directors, officers and employees of Design Group, regardless of jurisdiction and in all aspects of their work.
- **Anti-Bribery & Corruption Policy** – reminds our employees to take account of any improper or suspicious behaviour or situations and to report and deal with the risk of bribery and corruption.
- **Whistleblowing Policy** – sets out the ways in which our staff can raise concerns and how the Group will act upon them.
- **Human Rights Policy** – we recognise that business has the responsibility to respect human rights and the ability to contribute to positive human rights impacts.

- **Ethical Policy** – ensures all employees have been employed of their own free will, are paid at least the minimum wage and are legally allowed to work.
- **Equal Opportunities Policy** – helps ensure freedom from discrimination on the grounds of sex, working patterns, ethnic or national origin, colour, marital status, disability, sexual orientation, religion or age. It means fair and unbiased treatment of all employees.
- **Health and Safety Policy** – designed to highlight everything reasonably practicable to provide and maintain a safe and healthy working environment for all members of staff.
- **Bullying and Harassment Policy** – which is designed to help ensure that all of our staff are treated with both dignity and respect.

#### 4. OUR SUPPLY CHAIN

Design Group UK's supply chain consists of a) our wholly-owned manufacturing facility in Huizhou, China; b) Customer-mandated suppliers; and c) carefully selected and audited third party suppliers. These are located in various international locations including China, India, Thailand, Italy, Turkey, Finland, Germany and Spain. Design Group UK requires and maintains strong long term relationships with our suppliers. We achieve this by utilising the dedicated Group sourcing offices in Hong Kong and Ningbo, staffed by Design Group employees, as well as a team in the UK. This enables us to hold regular meetings with key suppliers and operate strict auditing processes. This supports our legal and ethical compliance as well as efficiencies and improvements throughout our supply chain.

Design Group UK applies a rigorous 3<sup>rd</sup> party annual auditing programme against ETI Base Code in partnership with recognised accredited 3<sup>rd</sup> party auditing companies. Between January 2018 and April 2019 there were 217 audits on 135 factories. Design Group UK is also audited by our customers who have their own verification programme supporting modern slavery. The scope of the audit covers:

- *Forced labour*
- *Freedom of association*
- *Working conditions*
- *Child labour*
- *Living wages*
- *Excessive working hours*
- *Discrimination*
- *Regular employment*
- *Inhumane treatment*

#### 5. DUE DILIGENCE AND RISK MANAGEMENT

Design Group UK works closely with a number of the UK's major retailers and wholesalers. We support these companies by implementing their company policies and procedures. This includes ethical annual audits.

Design Group UK has a supplier database giving us visibility and status of our supply chain. We continually review and monitor this to ensure compliance and to continually improve performance.

In early 2019, the Group created a new role: Managing Director of Offshore Procurement. The intention is to develop the Group supply chain to be a more cohesive, transparent and joined up organisation. An individual was appointed in February 2019, reporting to the Group's Executive Committee, and his focus will include:

- data quality, ease of access and transparency;
- third party manufacturing base;
- supplier on-boarding;
- managing Group business with suppliers;
- ensuring best practice and compliance across the supply chain.

This appointment will greatly support Design Group UK's development of its supply chain to ensure we are only using those companies that provide the ethical and social standards for workers that are required.

## 6. EFFECTIVENESS

Our standard contract impose obligations on our vendors to comply with applicable anti-slavery and human trafficking laws, including the Modern Slavery Act 2015; and to have and maintain policies and procedures to ensure continuing compliance; and to not engage in any activity, practice or conduct that would constitute and offence under the 2015 Act if such activity, practice or conduct were carried out in the UK.

## 7. TRAINING

- Design Group UK has invested in training both company personnel and suppliers on responsible sourcing risks and procedures. Two senior members of the Design Group UK Leadership Team (LT) have already attended the Stronger Together workshops and a third member of the LT will be attending September 2019.
- Design Group UK works with **Stronger Together**, a multi-stakeholder initiative which tackles hidden labour exploitation in the UK. Their aim is to reduce modern slavery by providing guidance, resources, training and a network to employers, labour providers, workers and their representatives. <https://www.stronger2gether.org/>
- As **SEDEX** members we are open to and implement their interpretation for compliance of the Modern Slavery Act.
- IG DG UK Ltd have reviewed and ensured that the necessary resources are provided to support the ethos behind this statement. This is with support of the external organisations - Stronger Together and SEDEX.
- Our suppliers are advised:
  1. To attend Stronger Together workshops to raise their understanding of issues such as forced labour, exploitative practices by labour providers, human

- trafficking, and the role of organisations such as the Gangmasters Licensing Authority.
2. To implement the SEDEX programme.

#### **8. BOARD SIGN-OFF**

The Directors of IG Design Group UK Ltd, remain dedicated to strengthen its practices to continuously reduce exposure to modern slavery and human trafficking risks.

This statement has been approved by all Directors and executed by the MD and Executive Board Director (Lance Burn) on their behalf.

A handwritten signature in blue ink, appearing to read 'Lance Burn', written in a cursive style.

Lance Burn  
MD of IG Design Group UK Ltd  
And Executive Director of IG Design Group PLC

May 2019