

# Modern Slavery Statement 2021

**RIVER ISLAND**

# Introduction

We continue to ensure that trading ethically and sourcing responsibly are key commitments for River Island. We constantly work both internally and with our suppliers and other key partners to mitigate the risk of Modern Slavery and Human Trafficking. We work in line with the United Nations Guiding Principles on Business and Human Rights and the OECD Due Diligence Guidance for Responsible Supply Chains.

Modern Slavery is one of the most salient risks within our global supply chain and any allegations received by the business are taken seriously, and we do not tolerate any human rights abuses in any form both within our own organisation and in any part of our supply chain. It is well known that there are many different and complex forms of slavery that can occur, and we continue to take every measure to identify where there could be areas of risk within our business and our supply chain, and to work to eliminate these risks wherever possible.

This statement, written under the Modern slavery Act 2015, covers the requirements of the act for **River Island Holdings Limited** for the financial year 2021. The statement has been written to highlight our key activities that have been taken during this period and to provide full details of our commitment as a responsible retailer to fulfilling the requirements of the legislation during this financial year 2021.

The statement has been approved by the River Island Board.



Will Kernan  
Chief Executive Officer, River Island Holdings Limited  
24<sup>th</sup> June 2021



# RIVER ISLAND

# 2021 Key Highlights & Activities

During 2021 we launched our Sustainability strategy stating our 12 key commitments to people and planet.

(Please click on link [Sustainability - River Island](#))

Within this strategy there are key commitments around transparency and ethical ways of working.



## 3. ETHICAL WORKING

*Continuously improve working standards for our own employees and or employees and for those in our supply chains underpinned by a commitment to modern slavery.*

We continue to work with our supply chain partners and provide advice and training where required to ensure that our production units have the capacity to meet our ethical standards. We have also continued to monitor our sites during visits to ensure that covid standards and procedures are being maintained.

We uncovered 15 instances of unapproved subcontracting in 2021 which led to remediation with 9 suppliers where we provided training programmes to address root cause and build internal capacity at the sites involved.

## We continued to build on increasing our collaboration



## 10. TRANSPARENCY

*Attain full transparency through the business & supply chain in order to measure and deliver our commitments.*



During 2021 we partnered with Segura to enable us start working towards our commitment to have full visibility of our own brand supply chain to tier 4 by the end of 2023.

<https://www.segura.co.uk/>

We continued to increase our awareness of Modern slavery by engaging with Slave Free Alliance.



SLAVE-FREE ALLIANCE  
Working Towards a Slave-free Supply Chain

At the end of 2021 we engaged with Slave Free Alliance to carry out an internal review to understand where are strengths and weaknesses are in relation to Modern slavery so that we continue to effectively tackle the issue both internally and within our supply chain. From this work we hope to identify key work streams for 2022 to further reduce the risk of modern Slavery within the business.

<https://www.slavefreealliance.org/>

## Apparel and General Merchandise Public Private Protocol (AGMPPP)

We have been a member of the AGMPPP since 2018 and continue to support the work being done to increase transparency and improve working conditions for workers in the UK manufacturing sector.

We have part funded an out-reach initiative in Leicester to directly address the needs of workers. Based at the Highfields centre and working alongside the AGMPPP and local stakeholders to give workers help and advice with understanding their rights.

[AGMPPP Website \(GLAA\)](#)

# RIVER ISLAND

# The Organisation Structure, Business and Supply Chains

## Our Business

River Island is a leading multi-channel fashion brand based in the UK, selling womenswear, menswear and kidswear. River Island was established as a brand in 1988 and is a privately-owned business, owned by the Lewis family. The business, however, can be traced back to 1948 when it was first started by Bernard Lewis, and he and his family are still actively involved in running River Island today.

We have 318 stores in 13 countries on 3 continents, and we sell to over 120 countries online. River Island's annual turnover in 2020 was approx. £600m.

Our Head Office in West London is home to the Design and Development, Buying and Merchandising, Marketing, Technical, Ethical, Sourcing, Logistics, Legal and Finance teams. Our DC in Milton Keynes receives, holds, and distributes our products to stores, wholesale partners and online customers.

Total Number of Employees in 2021:

Head Office - 1076

Distribution Centre - 650

Retail - 7527 (UK), 643 (ROI)

Our product is predominantly “own label” and includes clothing, footwear, bags and accessories. In 2021, we sourced from 33 countries, and our “Top-5” countries were China, Turkey, Bangladesh, India and Romania which accounted for 76.6% of our range. The Top 12 countries supplied 94.6% of our range compared to 95.6% in 2020.

In 2021, we worked with 206 product suppliers (444 factories). 83% of River Island products came from the “Top-50” suppliers (the “Top-20” are 61.2%). We also source a wide range of goods and services such as shop-fitting, packaging, cleaning, catering, logistics, security, IT, marketing, ecommerce, advisory and so forth (collectively referred to as “goods not for re-sale” or “GNFR”) from third party suppliers, the vast majority of which are UK based.



[CLICK HERE TO SEE THE RIVER ISLAND TIER 1 FACTORY LIST](#)

# RIVER ISLAND

# Governance, Policies and Commitment

## Our Governance

All our human rights work streams sit with our sustainability board which meets on a quarterly basis and includes members of our senior executive team including our Chief Executive Officer, Chief Product Officer, Chief Operating Officer and General Counsel as well as all senior members of our sustainability team.

This setup allows us to monitor our progress against targets set out in our 2021 sustainability Strategy and ensure we maintain our commitment to source our products responsibly and protect the human rights of the workers in our supply chain.

## Our Policies

Human Rights are at the heart of our approach to modern slavery and we following the following international codes and standards as part of this process

- The Base Code of the Ethical Trading Initiative (ETI).
- The UN Guiding Principles on Business and Human Rights.
- OECD Due Diligence Guidance for Responsible Supply Chains.

Supplier Agreement – River Island Suppliers are contractually bound by the terms and conditions in our Supplier Agreement which include adherence to the following policies, for the protection and promotion of human rights:

- River Island Ethical Policy (based on the ETI base Code) – This Policy defines the shared ethical responsibilities between suppliers and River Island buyers.
- River Island Anti-Slavery and Human Trafficking Policy (incorporated into our Contracts in 2016)

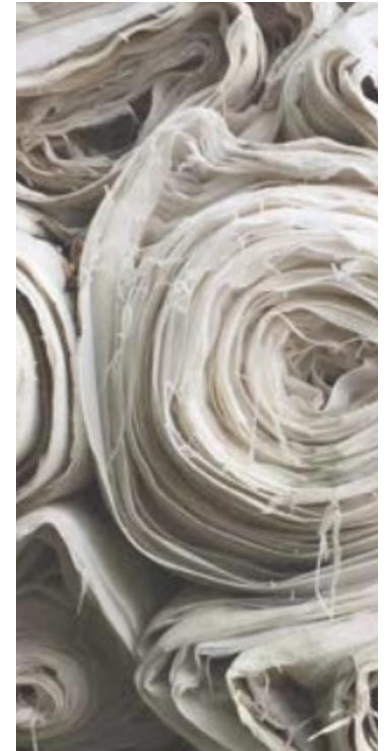
Employee Contracts – all River Island employment contracts directly incorporate a suite of policies designed to protect worker rights and promote a safe and fair supply chain. These include the River Island Ethical Policy referred to above, the River Island Anti-Slavery and Human Trafficking Policy referred to above, the Anti-bribery and Corruption Policy, and the Whistleblowing Policy.

GNFR Contracts – all require compliance with the Modern Slavery Act, and those relationships deemed to be operating in “higher-risk” areas, according to the criteria set out below, specifically require adherence to our River Island Anti-Slavery and Human Trafficking Policy.

## Our Commitment

River Island are committed to the identification and prevention of any type of slavery or human trafficking within the business and supply chain and to clearly understand the risks that may be present in each. We ensure regular checks are carried out at all our production sites to ensure workers are treated fairly and that their human rights are being respected. Through our policies we ensure that suppliers are aware of the requirements before working with River Island. Any updates are sent to all suppliers to ensure they comply with any changes in legislation.

We do this by working to increase the transparency of the supply chain and are aiming for full transparency to tier 4 by end 2023. We ensure our policies and procedures are checked annually and that training is available to all internal staff members to give them the awareness required to understand the issues and their responsibilities.



# RIVER ISLAND

# Modern Slavery Risk & Due Diligence

## Key Risks

There has been no major change to our overall set of salient issues during 2021 although there has been updates and changes to priorities within many of the issues due to the global pandemic as well as regional changes to working practices by governments and industry. Covid-19 has continued to have huge effects on workers both in our own operations and our supply chain. This has especially placed huge pressures on Health and Safety, reduced the job security in many regions, and hit vulnerable groups of workers very hard.

Many regions have seen political upheavals increasing the issue of refugees and migrants in many surrounding countries and beyond. This had made it much more difficult to identify and defend the human rights of hidden, trafficked and abused migrants who are being employed in the casual unregulated labour markets around the globe. This trend has put increased pressure on brands to identify abuses in their supply chains at a time when visiting sites and identifying issues has become much more difficult due to the many lock downs and restricted access that we have seen during this time.

River Island has discovered many new ways of working during the pandemic for both its own staff and for our suppliers. We have launched our Sustainability strategy during the pandemic with clear targeted plans to meet the commitments made in a timebound fashion. Part of our plan is to reach tier 4 of our supply chain by the end of 2023, and we have partnered with Segura to ensure we meet this target. [www.segura.co.uk](http://www.segura.co.uk)

Where possible we have continued to visit our key sites with our in-country teams and have started working on a Beyond Audit approach at 2 key sites during late 2021. This is very much a trial and test programme with no other outcomes that to work as partners with our factories to ensure they have the capacity to meet our ethical standards.

This will be done through direct discussions with workers, management and our ethical team. It is hoped if successful that this can be rolled out further in 2022/23.

In 2021 we have identified our salient human rights risks to be:

- Forced and Bonded labour
- Climate Change / Global Warming
- Regular Employment
- Working Hours
- Wages / Social Security
- Discrimination and Harassment
- Freedom of Association & Collective Bargaining

From the work we carry out to provide detailed mapping of supply chains, along with desk-based research, supplier interactions and engagement and our discussions with key industry stakeholders we have identified the following areas as key modern slavery risks to the business:

- Suppliers who subcontract specific processes to lower tier manufacturing sites e.g., wet processing, embroidery etc..
- River Island own brand product supply chain
- GNFR
- Key Business Service Providers
- Countries with a high risk of Modern Slavery e.g., India, & China.



# Modern Slavery Risk & Due Diligence

## Due Diligence

Throughout the covid-19 pandemic we have continued to visit our key sites with our in-country teams whilst ensuring that we have followed regional lock-down restrictions, and following WHO and regional health and safety guidelines during these visits. In some cases this reduced the ability to carry out unannounced visits that would have normally been possible, but the health and welfare of all workers at our production sites was the key priority during this difficult time. Where this has been the case we have still carried out full worker interviews during the visits as well as carrying out the standard checks. In 2021 we conducted a total of 342 factory audits and 292 ethical visits.

We uncovered 15 instances of unapproved subcontracting in 2021 which led to remediation with 9 suppliers where we provided training programmes to address root cause and build internal capacity at the sites involved.

River Island recognises that many ethical and trading issues are complex and cannot be solved overnight. However, we strongly believe significant change is achievable and that we can better influence change through wider collaboration. It's not about walking away from "bad" factories - that doesn't solve our collective challenge in ethical working. It is important for us to help support, encourage and reward those factories that are willing and proactive in addressing issues.

Traditionally our factory ratings have only incorporated issues that arise but we are moving to a model that looks at rewarding good behaviour in remediating problems, too. We have continued to provide on-site training and capacity building when this has been required by our supply chain partners.

## Segura



In early 2021 we commenced our partnership with Segura and on-boarded our top 34 suppliers onto the platform to begin mapping our supply chain down to tier 4. Through Segura our suppliers are able to report at purchase order level and give a 'live' update of where our products and their components are being sourced. As well as a clear picture of all the production processes used to manufacture the products. The key to this methodology is the ability for our lower tier suppliers to confirm that they are supplying the component or process, directly within Segura thus providing us with the transparency and visibility required.

At the end of 2021 we were still on-course to on-board all 200+ own-brand suppliers by the end of 2022, with an ambition to get full Tier 4 supply chain transparency by the end of 2023. From this work it is hoped we can begin to work directly with the key sites in the lower tiers of our supply chain to improve working conditions, reduce the risk of Modern Slavery along with providing clear visibility of where we are working in our lower tiers.

## Factory Visits

When our employees carry out factory visits and identify any issues or concerns, this is immediately reported to the social sustainability team, and a clear action plan is put in place immediately with the relevant site to correct the problem raised. We see this as a key tool to reducing the risk of Modern slavery in our supply chain and have Modern Slavery as a mandatory part of our internal employee training programme to ensure that our employees have a good understanding of the issue.

# Modern Slavery Risk & Due Diligence

## Wages - China

In March 2021 we uncovered a wage issue at one of our China based factories. This was relating to problems with their attendance and payroll calculations at the site, The inaccuracies in the system used had caused some workers to receive less than minimum wage. We worked with the supplier on the issue and ensured that all of the workers affected were compensated in full. We also put a full training programme in place with the factory hosted by our in-country team to ensure that the factory maintained a robust payment system going forward. We also reaffirmed their knowledge of the River Island code of practice and to show them other ways in which they could improve on their management systems to ensure that this is, or other similar issues were not repeated going forward. We have since found no issues at any subsequent visits to the site.

## Casual Workers - Turkey

After several visits to a site in Turkey during 2020/21 we found that there were repeated concerns that the factory management was not being transparent regarding the hiring of a casual workforce. Through working closely with our regional audit team in Turkey and organising some on-site meetings between RI, our in-country team, our supplier and the factory we were able to create an open dialogue and build trust with the factory management whereby they disclosed the hiring of 13 Syrian workers on a casual basis. By the end of 2021 all of these workers had been hired directly by the factory or were enrolled in the government IKSUR scheme and were therefore covered by social insurance, no excessive overtime was recorded, and all workers had received or applied for work permits.

## Subcontracting - China

Through our *Supplier Escalation Process*, we worked closely with one of our key China based suppliers to remediate several issues relating to un-declared subcontracting and poor standards at these un-declared sites. These issues were highlighted by our in-country team, during several visits to their sites. We had initial calls with the supplier and with the buying teams to determine the root cause and then monthly calls thereafter to ensure there were no further production capacity issues. We then carried out a mapping piece through visiting all of their Tier 1 sites and we either ensured all production was brought in-house to approved sites or we worked with the new sites to ensure that they could meet the requirements of the River Island Code of Practice.. By the end of 2021 there were no longer any major issues at any of their sites and are all working to River Island's standards. We will continue to work with them into 2022 to ensure that they have good internal processes to allow them to continue working with us on the improvement programmes at all their sites in the region.

## Sustainable Cotton

We see cotton as being a high-risk commodity in relation to Human Rights and as a business we are looking to increase the amount of cotton purchased from sustainable sources. Currently 100% of the cotton in our jeans is from sustainable sources and we will continue to increase this going forward. River Island is a proud member of Better Cotton Initiative..



# Collaboration & Training

## UK Apparel Industry

During 2021 we continued to work with the Apparel and General Merchandise Public Private Protocol (AGMPPP) whose aim it is provide a framework that will give clear guidance and standards for all brands, factories and workers when operating in the UK.

It is hope that through this process we can help vulnerable workers by reducing and ultimately eliminating the exploitative practices that have been found to occur in some areas of the UK apparel industry. fully protecting the rights of vulnerable workers and creating a UK garment manufacturing industry that is safe for all workers is the key goal for all parties involved..

As part of this process River Island have helped to fund the Fashion workers Advice Bureau Leicester (FAB-L) which give advice and support for apparel workers in Leicester. Their support service include:

- Workers' Rights & Employment Law
- Health & Safety
- Benefits Advice & Welfare Advice
- Form Filling & Letter Writing
- Housing & Living Conditions
- Immigration & Legal Advice
- Financial Hardship Support
- Courses & Training
- Domestic Violence & Harassment

The advice provided to workers is free, and it is hoped that this will enable the more vulnerable workers to seek help when needed and help them to realise when they are being exploited..

## Supplier Support

As mentioned in our case studies and in previous reports, we have a global team who regularly visit our key sites and check that the adhere to the River Island Code of Conduct.

Where required we can offer training to our suppliers and factories to ensure that they understand what needs to be in place to meet our standards as well as giving them an understanding of their local laws and current issues that may affect their ability to meet our standards. We see internal capacity building as key to improving our supply chain and providing our suppliers and factories with the necessary tools to build capacity being key to the process.

In 2021 we provided 9 suppliers and their factories with bespoke training to help them maintain the required standards to work with River Island. We also provided 2 Suppliers with training direct to their CSR managers who had been newly appointed during 2021 to ensure that they were fully aware of the requirements of our code of conduct when working with their factories.

## Key Partnerships

Segura  
Ethical Trade Initiative  
AGMPPP  
Fast Forward  
The ReAssurance Network  
The Bangladesh Accord  
Higg Index  
Transparency Index  
Transparency Pledge  
Better Cotton Initiative

# RIVER ISLAND

# Upcoming Highlights for 2022

## During 2022 we are looking to:

- Working with Slave Free Alliance, we aim to carry out a full Modern Slavery gap analysis across the business.
- Create a Modern Slavery Action group to address the points raised from the above GAP analysis.
- Increase visibility of our GNFR & Services Supply Chain
- Continue with our in-house and supplier training programme to address knowledge gaps and increase modern slavery awareness
- On-board all of our remaining suppliers onto the Segura Platform by the end of 2022.
- Create a beyond audit programme and trial the process with two key Suppliers
- Increase our focus on Gender Issues and Homeworking
- Continue our partnerships with AGMPPP / Fast Forward to drive change in the UK Apparel Sector



# RIVER ISLAND