

Introduction

Modern Slavery is a crime and a violation of fundamental human rights which can take various forms, such as slavery, servitude, forced or compulsory labour and human trafficking, all of which have in common the deprivation of a person's liberty by another in order to exploit them for personal or commercial gain. It is a global issue that can affect any organisation and its supply chains alike.

Eurosonic Group Limited has a zero tolerance towards all forms of modern slavery and human trafficking throughout our organisation and global supply chains. We are committed to maintaining and improving systems and processes to avoid complicity in human rights violations related to our own operations, our supply chain, and our products.

Our Organisation

Eurosonic Group Limited (Eurosonic) is a UK, family-owned retailer with over 60 years' experience, specialising in electrical and small domestic appliances, electrical and audio accessories, cooking, baking, and homeware products. We employ around 100 colleagues, most of whom are directly employed, but also include agency employees in our UK Warehouse and consultants in the Far East.

Our largest workforce is in our UK head office, where we source, develop and distribute our goods to key UK retailers. As a trusted partner to these retailers, we have become one of the largest names in the Import and Distribution industry, with well-known brands such as Daewoo, Electrolux, Hairy Bikers, Prochef and The Grinch as part of our portfolio.

Our Supply Chain

Eurosonic Group has developed long-standing relationships with key vendors and suppliers in the Far East that help us source and develop our products. The majority of our products are manufactured in China, but we also source certain products from India. Due to the variety of different products that we provide, our supply chain is large and wide ranging, in terms of manufacturing sites. We are aware of the risks that this can incur, in terms of both modern slavery and other un-ethical business practises, and we are committed to fully assessing our suppliers to ensure that such practises are not taking place.

Our warehousing is leased and based locally in Bury. Here, we receive hundreds of thousands of products each year and distribute them to our customers, both locally and nationally. We also work closely with several courier companies to distribute products directly to our customers' homes through our Drop Ship programme for the likes of Amazon, and Very.

Our Policies

As a responsible Importer and Distributor, we strive to continually improve our systems and processes to ensure modern slavery does not exist within our business, supply chains and the products we manufacture.

Our Modern Slavery Policy clearly outlines our commitment to tackling modern slavery within our business, while our Ethical Sourcing Policy explains the standards we expect our Suppliers to adhere to. Both of these documents are available on our website.

We have a robust Recruitment Policy that details our approach to working with recruitment agencies and the steps we take to mitigate the risk of Modern Slavery in this area, as well as an Employee Code of Conduct that sets clear behavioural expectations and outlines what colleagues should do if they suspect Modern Slavery is taking place.

Due Diligence

Eurosonic understand that human rights due diligence is related to good corporate governance. Our due diligence in relation to modern slavery forms part of a wider framework around ethical trade and corporate social responsibility.

As part of our commitment to alleviating modern slavery within our supply chain, during the last financial year we have undergone a project to fully map our 1st tier supply chain. We have also overhauled our Ethical Sourcing Policy and New Supplier On-boarding Process to make them more robust.

By working closely with our agents and vendors we have identified 158 individual production facilities within our supply chain. We are now working closely with each of these production sites to ensure they fully understand the scope of our Ethical Sourcing Policy and auditing requirements.

Our Ethical Sourcing Policy is based on the Code of Conduct produced by the Ethical Trade Initiative (ETI) and outlines the procedures and standards our suppliers must adhere to in order to do business with us. This Code contains, amongst other requirements, conditions whereby factories producing our goods must ensure: employment is freely chosen, child labour shall not be used, and no harsh or inhumane treatment will occur. We ensure that all our production facilities are audited annually by a reputable third party to confirm these standards are upheld. An integral part of the auditing process includes confidential interviewing of workers (in a manner protecting worker safety), which helps to understand any potential risks of bonded labour or other forced labour or slavery.

During this last financial year Eurosonic joined amfori's Business Social Compliance Initiative (amfori BSCI), which supports companies to drive social compliance and improvements within the factories in their global supply chains.

As an amfori member, we endorse the amfori BSCI Code of Conduct and its terms of implementation and cascade it through our supply chains. We use the amfori platform to effectively map and track our supply chain and fully assess their Ethical and Environmental audits.

Assessment of Modern Slavery Risk

Eurosonic has evaluated where in our supply chain the most significant risks are by using the amfori ESG Risk Compass, as well as information from social compliance audits and self-assessment questionnaires. We also have assessed where foreign migrant workers are present at our production sites.

- Both China and India have a country rating of 'very high risk' for forced and bonded labour, and 'Medium risk' for Fair Remuneration according to the amfori Risk Compass.

- None of our production sites use any Foreign Migrant Workers.
- Roughly 1% of the workers across our entire production facility supply chain are Indirectly Hired by our factories.

Eurosonic understand that these tools and analytics are just the starting point of a risk analysis assessment. Some suppliers may go to great lengths to hide the fact that they are in some way involved in using forced labour and audits alone are unlikely to identify or uncover hidden cases of slavery or trafficking. We are therefore looking to expand our risk analysis procedures to allow us to gain a deeper understanding of our supply chain.

Measuring Effectiveness

Eurosonic understand that forced labour, human trafficking and slavery risks are not static. Therefore, we aim to regularly track and evaluate our internal due diligence processes to better understand our performance, progress, effectiveness, and impact of our own operations and those of our business partners.

We will continue to ensure our 1st Tier supply chain is fully mapped, with audits and corrective actions carried out as appropriate. As of 1st March 2025, 92% of our production facilities have a valid ethical audit that assess the risks of Modern Slavery and forced labour. As we move forward, we will be phasing out production facilities who cannot meet our standards or refuse to adhere to our Ethical Sourcing Policy and aim to have 100% of our production sites ethically audited by June 2025.

In the coming year we aim to use amfori BSCI's continuous improvement tool and follow-up monitoring to assess how our suppliers have addressed problems identified in initial audits, and how these have been remediated.

Training

Eurosonic have signed up to Stronger Together, a not-for-profit organisation that provides businesses with practical training, resources, business services and collaborative programmes focused on responsible recruitment and fair work. We aim to create an internal training programme for our employees to help make them aware of and have a better understanding of the risks of modern slavery and human trafficking, both here and abroad.

90% of our production facilities are amfori members and we encourage them to build their set of skills on human rights and modern slavery by using the amfori Academy's mixture of live training, recorded webinars, and e-learning. Using the amfori platform we are able to track how many of our suppliers have engaged with this training and what courses they have completed.

Approval

This statement is made pursuant to Section 54 of the UK Modern Slavery Act 2015. It sets out the measures undertaken Eurosonic Group Limited to prevent modern slavery and human trafficking for the financial year ending 31st March 2025.

This statement has been formally approved by the Board of Directors and signed on their behalf.

Signed.....

Position.....CFO

Date.....26 / 8 / 2025.