



MODERN SLAVERY ACT

TRANSPARENCY STATEMENT 2018–2019

This statement has been published in accordance with the Modern Slavery Act 2015, which requires businesses to disclose publicly the steps they are taking to tackle modern slavery each year. The statement sets out the steps taken by UP Global Sourcing Holdings plc and UP Global Sourcing UK Ltd (Trading as Ultimate Products) to prevent modern slavery in its own business and supply chain for the financial year ending 31 July 2018.

OUR CONTINUED APPROACH

As a retail brand house that sources, develops and distributes branded consumer goods within global channels we recognise that there are potential risks of modern slavery within our suppliers and supply chain partners and we are committed to ensuring we fully understand these and shall work with our key partners to mitigate them on a continued basis.

We will not tolerate any form of modern slavery nor knowingly work with any suppliers or logistic partners that are involved in any form of slavery, human trafficking or exploitation and we are satisfied that there is no evidence of any act of modern day slavery within our supply chain. We have had no reported cases in the past financial year.

As such, we continue to be a member of SEDEX and instil the practices demanded within our Far East supplier base, to ensure working standards are meeting compliance and the risk of modern slavery or human trafficking is minimised. Our dedicated Ethical & Social Compliance Team based in China and the UK continue to audit our supplier base, working with their key decision makers to ensure standards are achieved and corrective action plans are completed. The team ensure that our factories are audited by our accredited third party partners to the ETI base code and that our ethical standards are being maintained.

To aid ethical sourcing we continue to complete an ethical audit of our key China factories as soon as reasonably practicable when commencing business with them, which monitors and records;

- That there is no forced or involuntary prison labour being carried out;
- That workers are not required to lodge deposits or their identity papers with their employer;
- That workers are free to leave their employer after giving reasonable notice;
- That workers are entitled to breaks and free to leave the premises during 'off hours';
- That there is no child labour taking into consideration the local law for minimum age for working;
- Factory wages and benefits paid to staff for a standard work week meet the national legal standards or industry benchmark standards (whichever is higher);
- The amount of overtime undertaken by staff which should;
 - Be at a premium rate.
 - Not exceed the national legal standards set.

- Not be demanded on a regular basis.

We are committed to responsible sourcing and where possible ensure key product materials are certified to the required standards. An example of this is ensuring our wood and paper products are FSC certified which requires organisations to be audited and included in this is the monitoring of health, safety and labour issues within the supply chain.

We welcome all staff and workers to come forward if they believe there is any suspected violation of these standards without fear of retaliation in line with our Company Whistleblowing Policy. This year we have expanded the communication of this policy to ensure any potential breaches can be recorded and investigated at the earliest opportunity. This now includes a whistleblowing hotline being managed by a specialist external party. There were no reports relating made via our whistleblowing line in 2017/18.

We will continue to monitor the transparency statements of our key supply chain partners. We now have a key contact at each of our key supply chain partners who is responsible for Modern Slavery and who we can challenge or arrange an audit if there are any areas of concern.

Our internal Modern Slavery Committee, comprising of key people across areas of our business continue to internally audit our business each year to identify any potential risk areas and report back to the company's Group HR and Operations Director.

Internal staff training on Modern Slavery remains to be an important topic and as such all new joiners receive training upon joining the company and existing employees receive training annually.

OUR COMMITMENT TO CONTINUED IMPROVEMENT

This year we have continued to strengthen our ability to identify any potential risks of modern slavery to ensure we can implement necessary corrective actions within a swift and timely manner.

Our Supplier Manual, the key document detailing our expectations to our suppliers which is signed by our suppliers, has been updated to cover more detailed information on our expectations on modern slavery and has been re-circulated throughout our supplier base.

Our HR team, through improved and robust procedures, can help to identify any potential issues of modern slavery within the UK and China workforce. We have also demanded more from preferred resource and recruitment partners who have had to align their procedures around modern slavery to achieve the expectations set by our Company. This year we shall also introduce detailed audits of our recruitment agencies who provide temporary warehousing staff, to ensure they are complying with relevant legislation.

Further work has also continued with our internal China Quality Control team to ensure any evidence of Modern Slavery in our Far East factories is identified at the earliest opportunity. The team will also increase this year to cope with internal demands on overtime and travel commutes as the business continues to grow.

FUTURE

We will continue to work with our suppliers and partners to continually improve our performance in relation to modern slavery and future progress will be reported each year. Internally, the business is committed to continual improvement of our internal procedures and systems to ensure our methods remain current and continue to minimise any risks of modern slavery.

OUR PROMISE

We undertake all reasonable and practical measures to ensure that these standards are implemented throughout the businesses of our suppliers and will assess any instances of non-compliance on a case-by-case basis putting remedial measures into place appropriately and providing guidance to those factories who do not meet our standards to enable them to make improvements for the future.

Our Company looks forward to working with our suppliers and other stakeholders to bring any necessary changes into effect, reviewing their effectiveness and taking into consideration any changes or additional measures which can be introduced to further strengthen our commitment to our Policies.

In doing so, this Policy will be reviewed annually by the Board and any changes implemented thereafter. Andrew Gossage was authorized by the Board to sign this statement on their behalf.

Signed:

A handwritten signature in black ink, appearing to read 'Andrew Gossage', with a long horizontal stroke extending to the right.

Andrew Gossage

Managing Director

Date: 29.1.19