



Anti-Slavery and Human Trafficking Statement

ERR011 Issue 5
Date Nov 2022
Author-B Bevins
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Introduction

This is the Modern Slavery Statement pursuant to Section 54 of the Modern Slavery Act 2015.

This further updated statement sets out Numatic International Ltd's outright opposition to all such practices and emphasises our commitment to constantly auditing our activities and suppliers in order ensure that all forms of modern slavery are eliminated from our business and supply chains.

The Business Operating Model

Our Supply Chain Manager has overall responsibility for monitoring our suppliers within our Supply Chain Verification Program. The team works with suppliers at every point of contact to ensure that our stringent standards are met.

In addition, all staff have a responsibility to be alert to the risks in our business and in the wider supply chain. A mandatory reporting process has been developed, and all concerns - however small - are reported up the line. Management at all levels will commit to acting on those concerns.

This statement relates to actions and activities during the financial year 2021 / 2022.

Our structure

We are a manufacturer of domestic and industrial vacuum cleaners, janitorial and cleaning trolleys and floor care machines. Numatic has its head office and sole manufacturing plant in the United Kingdom and has subsidiaries in France, South Africa, the Netherlands, Switzerland, Portugal, Germany and Spain. Our subsidiaries do not manufacture or assemble goods, providing a distribution channel only.

Our UK business – based in Chard in Somerset - is organised into business units: sales warehouse, sales offices, manufacturing shop floor, manufacturing office, research and development, IT&DS, HR, Media and Marketing, Administration and field sales and services

Our manufacturing plant operates three different shift patterns, from dayshift to double days and continental. Our overall annual sales volumes do generally experience 2 peak periods; however, our manufacturing and inventory policies supports a balanced operation where possible throughout the year

Supply chains

We work with companies from all over the world in bringing our diverse range of products to the consumer. Our supply chains are predicated on our requirement to source raw and processed materials principally related to the manufacture of parts which are subsequently assembled into final product at our UK site. Our suppliers range from small local manufacturers and service companies to multi-national businesses and we demand the highest of standards from them all, not only in the quality of the products and services they deliver to us but also in the conditions that they are made in.

We communicated with our direct Vendor base in 2018, in order to ensure they follow all legal requirements with specific focus on how they manage all aspects of ethical requirements in the supply chain. All new vendors complete a questionnaire to confirm their activities that they and their supply base undertake, meet levels of performance that we require.

We review to ensure all our requirements are met and they continue verification throughout their own supply chain. According to the Global Slavery Index, we do not deal with any country stated as high risk.

| Supplier Trading Country | Proportion of Direct Spend | Supplier Trading Country | Proportion of Total Spend |
|--------------------------|----------------------------|--------------------------|---------------------------|
| GB | 51.2240% | GB | 63.5085% |
| CN | 14.9922% | CN | 11.2150% |
| IT | 12.7264% | IT | 9.3052% |
| BE | 5.3568% | BE | 3.9215% |
| TW | 3.0962% | TW | 2.2518% |
| SK | 2.9419% | SK | 2.1396% |
| PL | 2.8901% | PL | 2.1019% |
| DE | 2.0648% | DE | 1.6302% |
| SG | 0.8204% | SG | 0.5967% |
| CH | 0.8144% | CH | 0.5923% |
| CZ | 0.7062% | US | 0.5359% |
| HK | 0.7051% | CZ | 0.5136% |
| US | 0.6793% | HK | 0.5128% |
| NL | 0.5281% | NL | 0.4129% |
| FR | 0.3472% | IE | 0.4038% |
| SI | 0.0872% | FR | 0.2765% |
| MY | 0.0097% | SI | 0.0642% |
| ES | 0.0039% | MY | 0.0071% |
| TR | 0.0036% | CA | 0.0033% |
| RO | 0.0023% | ES | 0.0028% |
| SE | 0.0001% | TR | 0.0026% |
| | | RO | 0.0017% |
| | | FI | 0.0003% |
| | | SE | 0.0001% |

Chart 1 - Reviewed % spend for 2021 by country trading relationship for component deliveries, a further 30% + of our spend is not in this view, given it is for Indirect spend. Our total spend can be seen in Chart 2

During the last 12 months our spend has increased 25% and we have engaged with suppliers in 6 new countries. With the COVID lockdown we have engaged with an external Audit company based in the Far East, to commence on site reviews for all key suppliers, especially those that are new, and we have been unable to visit to date.

Controlling and identifying risks

Within our own operations, the risk of slavery and human trafficking is controlled as a result of our strict policies and procedures, the oversight built into our operations, and the knowledge and skills of our staff.

Externally, our Supply Chain Verification Program ensures risk assessment on the basis of a number of factors including risk indices pertaining to human rights, the level of supply chain control, external governance factors and levels of political stability. Without exception, we expect all of our suppliers to commit to the highest possible standards in their employment practices. If they are found to be failing then we will challenge them, and if they are then still unable to meet our stringent standards, we will source product elsewhere.



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Our policies on slavery and human trafficking

We are committed to ensuring that modern slavery and human trafficking are not tolerated in our supply chains or in any part of our business. Our modern slavery policy sits alongside our corporate responsibility policy and reflects our commitment to acting ethically and with integrity in all our business relationships.

In addition, we have a solid structure of existing policies and procedures which support our commitment and are relevant to preventing human trafficking and modern slavery. These include:

- Our Supply Chain Verification Program which was updated in 2018;
- Employee handbook;
- Whistleblowing policy;
- Equal Opportunities policy;
- Dignity at Work policy;
- Manufacturing Management Code of Conduct

We also have an active Works Council and agreement with the GMB trade union who are available to represent and assist workers in our business.

High risk activities

The main risk to the implementation of this policy is geographical. In order to minimise this, the Supply Chain Team maintains consistent contact with suppliers who are aware that they may be challenged at any time.

Our effectiveness

Modern slavery is a regular agenda item at our senior management team meetings. Any breach of this policy will be treated as a non-compliance and will remain as an agenda item until it has been fully dealt with. Any learning points will be fed back to the supply chain team and incorporated into their processes.

During the financial year 2021/2022 we:

- Included a section on Modern Slavery at our Corporate Induction programme so as to raise employee awareness of modern slavery, what to look for and how to deal with and issues or suspected issues
- Ensured all new staff who have any contact with our supply chains completed training on modern slavery.
- Ensured that all suppliers are challenged on a regular basis to ensure that they meet our exacting standards.
- Continue to work on our commitment to a zero tolerance of modern slavery and human trafficking within our business and that of our suppliers through regular communications from our Quality and Supply Chain teams
- Ensured all employees are provided with the Employee Assistance number that can be called for confidential help and advice and that all employees are aware of our whistleblowing policy.
- Provided training and refresher training to all levels of management on Modern slavery and Human trafficking.

This statement has been approved by the Senior Management Team and is duly signed by the Managing Director,

Signed...

Position ...Managing Director

Date ...xx.xx.2022