

MAKE IT WONDERFUL



## Modern Slavery Statement

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### INTRODUCTION

This statement is made pursuant to Section 54 of the Modern Slavery Act 2015 and sets out Franke UK Ltd's (Franke UK) actions to understand all potential modern slavery risks related to its business and to put in place steps that are aimed at ensuring that there is no slavery or human trafficking in its own business and its supply chains. The statement relates to actions and activities during the financial year 2020/2021. Publication of this statement has been delayed due to the impact of the Coronavirus pandemic.

### PREAMBLE

Franke UK maintains relationships with many different organisations in its supply chain, as well as employing a workforce of its own. In the light of the general law on employment and human rights, and more specifically the Modern Slavery Act 2015, we have reviewed our existing compliance and risk management processes to determine to what extent measures already exist, and what further measures may be required to prevent slavery and human trafficking from taking place in our business or in our supply chains.

Franke UK has adopted a policy on the prevention of modern slavery and human trafficking. The policy governs all our business dealings and the conduct of all persons or organisations with whom we contract directly or who we appoint to act on our behalf.

Franke UK expects all who have, or seek to have, a business relationship, to familiarise themselves with our anti-slavery policy and to act at all times in a way which is consistent with it.

### 1. ORGANISATIONAL STRUCTURE AND SUPPLY CHAINS

This statement covers the activities of Franke UK.

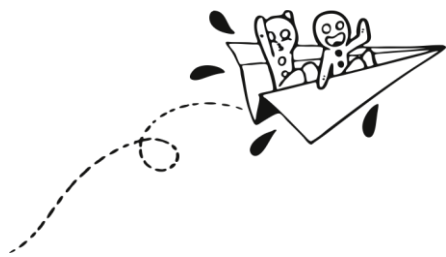
#### Main Products, Services and Customers

Franke UK is a leading retailer and distributor of residential kitchen systems across the United Kingdom and Ireland. We are part of the Franke Group, which is a global organisation involved in the manufacture, supply, distribution and sale of retail kitchen systems, commercial kitchen systems and water systems. The Franke Group takes all forms of modern slavery and human rights abuse very seriously and signed up to the 10 Principles of the UN Global Compact in 2011. Franke Group reports its contribution yearly in the sustainability report (downloadable via <https://www.franke.com/franke-group/en/about-franke/sustainability.html>).

Franke UK has its head office in Manchester, with additional offices and warehouses in Stoke on Trent, Cricklade and Ashford. The Warehouses receive stock from our internal and external global/UK suppliers and distributes them to our customers and consumers.

Predominantly, Franke UK supply goods to the following markets:

- Kitchen studios
- Multiple retailers e.g. DIY chains and plumbing suppliers
- House builders
- Internet retailers



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All suppliers of Franke are required to adhere to the Supplier Code of Conduct to ensure that suppliers meet applicable laws and operate in accordance with our minimum requirements regarding employment practices, environmental protection and business integrity.

### **Our Supply Chain**

Franke UK has hundreds of direct and indirect suppliers who supply and manufacture across global supply chains. These suppliers range from large modern operations to local specialists. Franke UK also works with a number of other partners who help run the distribution centres, keep offices and warehouses clean and secure, and much more. The scale of these supply chains gives Franke UK the opportunity to promote respect for human rights and to make a positive impact on people's lives. Starting with the business operations and service providers, and then increasing the visibility seen on global supply chains, Franke UK has worked to identify actual or potential risks of modern slavery and ensure remedial actions to mitigate potential gaps.

## **2. POLICIES RELATING TO SLAVERY AND HUMAN TRAFFICKING**

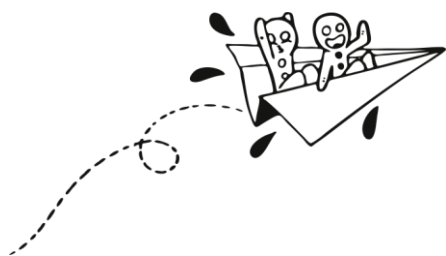
As part of the culture of good governance for good business, Franke UK operates to a set of core values which reflect the relationships with principal stakeholder groups: customers, manufacturers, shareholders, suppliers and employees. We have adopted behavioural values for all our business relationships, reflecting our attitude to the exploitation of individuals in any form, and more particularly the offences under the Modern Slavery Act 2015. We are committed to opposing modern slavery in all its forms and preventing it by whatever means we can. We demand the same attitude of all who work for us and expect it of all with whom we have business dealings. Our attitude to modern slavery is one of zero tolerance. The topic is addressed in different directives and internal policies:

**Supplier Code of Conduct** – Franke UK suppliers have to adhere to the Supplier Code of Conduct to ensure that they comply with applicable laws and operate in accordance with our minimum requirements regarding employment practices, environmental protection and business integrity. These requirements are based on – among others – the UN Global Compact and the principles of the International Labor Organization. Part of the requirements are that all suppliers and their supply chains reject forced, child, bonded, prison, military or compulsory labour or any form of human trafficking.

**Code of Conduct** – all Franke Group employees are required to sign up to the Franke Code of Conduct. This Code of Conduct wants to achieve three important goals. First of all, it will help to safeguard the reputation and strengthen the brand of the Franke Group and its companies. Secondly, it fosters an open, honest and efficient working atmosphere by harmonising expectations of all employees. Finally, this shall ensure personal commitment to integrity, ethical conduct and responsible behaviour. Franke UK also expects business partners to respect our ethical commitments and adhere to this Code of Conduct.

**Franke Sustainability Policy** – the Franke Group is a member of the United National Global Compact, coupled with a continuous certification of all production companies under the ISO 14001 standard. Our sustainability principles include our Group Social Commitment to respect the human rights of all people and to maintain full legal compliance in every country that we trade in. We also, wherever possible, hold our suppliers to the same high standard of social responsibility that we follow.

**Whistleblowing Policy** - t Franke UK's Whistleblowing Procedure is intended to provide guidance on how concerns can be communicated. Concerns about suspected modern slavery associated with Franke UK or suppliers may be reported by employees in this manner. If misconduct concerns severe violations by our employees then Franke's integrity system (SpeakUp@Franke) allows it to be reported anonymously.



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**Modern Slavery Policy** – Franke UK's Modern Slavery policy is reviewed annually and made available to all Franke UK employees through our HRIS. The policy clearly outlines the stance on Modern Slavery, expectations for all employees and how they can report concerns on Modern Slavery to the business.

### 3. DUE DILIGENCE PROCESSES AND REVIEWS

In selecting suppliers we emphasise factors like total cost, quality, environmental awareness and adherence with the requirements of our Supplier Code of Conduct. In the long term we cooperate only with suppliers who place as much value on sustainability as we do. Franke UK continuously monitor and improve the performance of suppliers on a risk-based approach. All Franke UK suppliers, when centrally controlled, go through a due diligence process and are required to sign up to the Supplier Code of Conduct. Franke UK also conducts regular reviews of our top suppliers to monitor compliance with expectations and legal requirements. Reviews are initiated upon business risks either perceived or specifically identified. The monitoring can be done through the self-evaluation questionnaire or through on-site audits. Action will always be taken on perceived or reported non-compliance with the legislation or our Supplier Code of Conduct. If any deficiency or opportunity for improvement is identified, the supplier is required to comment and to take corrective measures. Any non-compliance of the supplier with the minimum requirements set forth in the Supplier Code of Conduct is treated as a violation of substantial contractual obligations. If the supplier fails to correct the non-compliance, Franke is entitled to terminate the relationship.

As well as having developed our own risk assessment, Franke UK is member of the Supplier Ethical Data Exchange (Sedex), a membership organisation dedicated to driving improvement in responsible and ethical business practices in global supply chains. Franke UK uses Sedex to help to assess and manage compliance across the manufacturing sites and also direct suppliers.

### 4. TRAINING

The Franke Group has positive effects on the professional development of its employees through its various training and education programmes, particularly:

- All Franke Group employees are required to bi-annually complete employee Code of Conduct training via an e-learning platform
- All new employees in Franke UK are taken through an induction which covers the Code of Conduct and Whistleblowing Policy.

### Conclusion

Franke UK's commitment to Modern Slavery issues is ongoing and we will continue to improve the safeguards that we already have in place and ensure that we work with our colleagues and suppliers to keep slavery out of our business and our supply chain.

This statement will be reviewed and updated annually.

Franke UK Ltd

Neil Clark  
Managing Director

Daniel Orwin  
Finance Director

**Date: 8<sup>th</sup> October 2020**