

Häfele UK Modern Slavery Statement 2021

1. Our Commitment

This statement is made pursuant to Section 54 of the UK Modern Slavery Act 2015 and sets out Häfele U.K. Limited's ("Häfele") actions to understand all potential modern slavery risks and impacts related to its business and to put in place steps to mitigate and prevent any modern slavery risks and negative impacts across its operations and supply chain in 2021.

Häfele recognises that it has a responsibility to take a proactive and robust approach to address modern slavery. We have zero tolerance to all forms of modern slavery, including but not limited to forced labour, human trafficking, child labour, and debt bondage. We expect our business partners, contractors, suppliers, and other stakeholders to fully adhere to this and actively work to assess, mitigate and prevent all forms of modern slavery linked to their services or products in a transparent manner.

2. About Häfele U.K. Limited

Häfele U.K. Limited is part of the Häfele Group, an internationally trusted name supplying furniture fittings from hinges, handles and door furniture to storage solutions, sliding door systems and lighting, head-quartered in Germany. The Häfele Group operates across six global regions with legal presence in 39 countries. In 2021, Häfele UK sourced from 735 suppliers from 27 countries, the majority of suppliers based in Europe.

3. Policies

Häfele is committed to the highest standards of social, environmental, and ethical conduct in our business operations and supply chain. This includes providing safe working conditions, respectful and fair treatment of workers, and acting fairly and ethically. Our Anti-Slavery Policy expresses the commitment to ensuring that all of our business operations are free from involvement with modern slavery. Further, it details that modern slavery is considered and addressed in our approach to corporate social responsibility and supplier due diligence, our commitment to identifying and addressing any high-risk areas of modern slavery in our supply chain, and the provision of training for all employees in the supply chain on issues relating to modern slavery. Additionally, in our Supplier Code of Conduct, Häfele expects suppliers to work in accordance with all human rights legislation, specifically on different forms of modern slavery such as child labour, forced labour, and debt bondage. Suppliers to Häfele should adhere to the principles mandated in the Anti-Slavery Policy and the Supplier Code of Conduct. Our policies concerning modern slavery grievance and whistleblowing mechanisms are detailed further in this statement.

We are proud of the measures we have implemented so far and will regularly review our Anti-Slavery Policy to ensure it continues to be fit for purpose. We are currently working on improving our Supplier Code of Conduct in order to further align with the labour standards and human rights established by the International Labour Organization (ILO), the United Nations Guiding Principles (UNGPs) and the Ethical Trading initiative (ETI) Base Code.

4. Due diligence

Risk and impact assessment and management

Häfele is committed to ensuring that its suppliers adhere to the highest standards of ethics and respect for human rights. Suppliers are required to commit to providing safe working conditions where necessary, treat workers with dignity and respect, and act ethically and within the law in their use of labour, in order to prevent modern slavery across their own operations and supply chain. Häfele works with suppliers to ensure that they meet the standards requested and improve their worker's working conditions.

Häfele is working with Sedex to map its supply chain, assess, monitor, and mitigate modern slavery risks and impacts, promote positive impacts and ethical trade, and to develop a robust ethical trade programme.

Häfele sources mainly from low-risk countries for modern slavery. Sourcing from higher risk countries and regions does not account for significant spend. Despite this, suppliers are monitored on an ongoing basis for their modern slavery risk level. A risk score is determined by supplier site data combined with country, industry and commodity or activity specific risks.

Grievance reporting

It is Häfele's policy to form strong, long-term relationships with our suppliers in the spirit of continuous improvement. Suppliers are made aware that they can report any suspected issues to their contact at Häfele. A formalised grievance reporting process is in development in 2022.

For Häfele employees, the process for reporting any modern slavery issues should follow the one detailed in the company's Grievance Policy. Under Häfele's Whistleblowing policy, no employees should fear or suffer reprisals from reporting any wrongdoing, and are able to access several whistleblowing mechanisms, such as raising the issue with their line manager or Human Resources.

5. Training

We understand the importance of training on modern slavery as a first line of defence against modern slavery, in order for our employees to gain awareness, recognise and report modern slavery both in and around the workplace. Häfele provides training to employees working in its offices, warehouses, and people with managerial responsibilities on an annual basis, and for new starters. Training on modern slavery indicators is also available on the Sedex platform for our suppliers.

6. Progress

At Häfele, we understand that it is only possible to manage what is effectively measured. Therefore, we aim to measure our progress against modern slavery through the following indicators:

- Number of employees annually undertaking modern slavery training
- Percentage of suppliers with detailed risk score
- Number of audits undertaken to confirm decent working conditions for all
- Number of corrective action plans completed by suppliers

We will use audit findings to identify priority issue areas across our operations and supply chain and inform our future activities and efforts. We engage with our partners, contractors, suppliers and other stakeholders to bring any necessary changes into effect. We will regularly review the effectiveness of our procedures and consider any changes or additional measures needed.

7. Future commitments

Häfele is committed to tackling modern slavery in its business, particularly in its supply chain. To fulfil this, Häfele puts forward the following commitments - progress of which is to be communicated in the next reporting period:

- Roll-out an enhanced Supplier Code of Conduct, with more comprehensive detail on modern slavery expectations for all of our suppliers, including direct and indirect suppliers.
- Develop a more effective responsible sourcing process which streamlines the company's procedure for monitoring modern slavery risk and impacts.
- Improve supplier due diligence on modern slavery by:
 - Increasing visibility and understanding of risk by driving higher Sedex engagement;
 - Conducting audits in supplier sites representing 90% of Häfele U.K spend.
- Expand annual modern slavery training to all employees and job roles.
- Engage the Häfele Group, business partners, and subsidiaries in responsible sourcing activities and efforts to tackle and prevent modern slavery.

8. Governance

Compliance with the UK Modern Slavery Act 2015 is overseen by Craig Chambers, Häfele UK Management Director. This statement is reviewed and updated on annual basis. Further detail related to Häfele's activity relevant to this statement, or the UK Modern Slavery Act 2015 is available by request. Please contact info@hafele.co.uk for further information.

Häfele's present modern slavery statement has been approved by its Board and signed by its Managing Director.

Craig Chambers