

Modern Slavery Statement 2020 – Altro Group

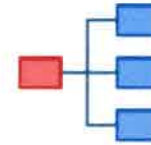


Introduction

This statement is made pursuant to section 54 (1) of the Modern Slavery Act 2015 and sets out the steps we have taken to ensure that our business as well as our supply chains are free from slavery and human trafficking during the financial year ending 31/12/2019.

Within the Altro Group we are committed to preventing slavery and human trafficking occurring in any of our corporate activities, as well as seeking to ensure that our supply chains are also free from such practices.

We are now several years into this topic and we continue to increase awareness both internally and within our external supply chain. We have been tracking against a number of actions through the year and will report on these within this statement. We understand that we have our part to play in the fight against human trafficking, forced labour and slavery and will continue to take action where we can and help to eliminate these practices.



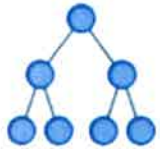
Organisation Structure

Altro Group is a leading manufacturer and distributor of flooring, wall cladding and associated accessories as well as vehicle care chemicals via the Autoglym and Kanor brands. We sell our products around the world, directly and through our distributors and subsidiaries; Altro Limited, Altro APAC Pty Ltd, Altro Scandess SA, Altro Nordic AB, Altro Canada Inc, Altro USA Inc, Altro Trading (Shanghai) Limited, Altro Middle East DMCC, debolon dessauer bodenbeläge GmbH & Co. KG and Altro Japan K.K.

We are a privately owned business with around 824 employees across the group, with manufacturing plants in the UK and Germany.

At Altro Group we are committed to transparency within our business and to promptly dealing with any issues that may arise in connection with modern slavery. We expect the same high standards from both our suppliers and our distributors.

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Our Supply Chain

Our supply chain is diverse and ranges from suppliers of raw material for our manufacturing plants right through to finished goods and services. The majority of our raw materials and finished goods are from either UK or European sources with some coming from the USA and Asia.

The majority of the flooring is manufactured in either the UK or Germany, with the vehicle care chemicals being manufactured in the UK. Walling products, along with accessory items for both the flooring and vehicle care chemicals, are bought in goods that are generally managed by the central Procurement team.

The Procurement team use the category management model for suppliers which ensures cross functional activity is captured and all necessary functions are included in the decision making process. During 2019 the Procurement Strategy has been reviewed and in 2020 the new central governance strategy will be rolled out across the UK sites and to our overseas subsidiaries meaning best practice in processes and procedures will be shared globally.



Policies and Staff Training

Having reviewed and amended our staff policies and training we continued to look for ways to increase our staff awareness. The actions we have taken in 2019 are:

- A communication was given to the Board members to explain the 2019 statement and to keep them informed of the work that is going on and steps we plan to take as a business.
- We created a new splash screen that opened on all computers upon login, to continue staff awareness on the topic of modern slavery. This provided information on industries where modern slavery can commonly be found within the UK. This information was also available on our intranet site.

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Due Diligence

We have processes in place to assess and manage our suppliers, both new and established, from the tender process, to new supplier meetings and service level agreements.

Steps that we have taken in 2019 to improve on our processes and increase awareness are:

- We are continuing to map our supply chain. The Altro Floors raw material products had been mapped to tier one and this has now been extended to cover the Altro Floors bought in goods and work has started on Altro Walls products and Altro Resins products.
- The new supplier process has been reviewed and a new form has been created and is now in use. This includes a section on corporate social responsibility that encompasses questions on freedom of employment, child labour, wages, working hours, discrimination and treatment of staff.
- Our supplier communication has now been sent out to all suppliers on our database. This shares our view on modern slavery and our expectations of our suppliers.

- Our Procurement Culture Questionnaire has been sent out to all IT and clothing suppliers as these were identified as high risk categories, this included collecting information on health and safety, environment, dignity at work, bribery, modern slavery, certification and ethical trading. Where suppliers have advised that they don't have policies in place, we have shared our policies with them to give them a structure to help them create their own policy. The aim was to also share best practice.
- We carried out an audit of a potential new supplier based in China close to the border with North Korea. The visit focused on ethical practices, process and procedures as well as visual observation of the facilities and working conditions of the staff employed there. Based upon the findings there was nothing to suggest that we wouldn't consider moving forward with the supplier.



Next Steps

At Altro Group, we have an internal cross-functional team, with responsibilities for reviewing this statement on a regular basis and ensuring that progress is being made in the areas identified. Our next steps in 2020 include:

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- To continue working on our supply chain mapping at a tier one level. To complete the Altro Walls and Altro Resins mapping and add Autoglym suppliers.
- To continue to audit any suppliers that may be identified as high risk.
- To continue with an annual splashscreen update for all staff to maintain their awareness of modern slavery.
- To support our overseas subsidiaries in adopting best practice in the mapping of their supply chain in relation to modern slavery.
- To introduce a Procurement Policy, which will include ethical trading, as part of the central governance procurement strategy.
- To commence the review of indirect spend suppliers which will include their supply chain practices.
- To review the recruitment agency agreements on our preferred suppliers list to ensure that the provision of temporary agency staff is compliant with modern slavery legislation.



Accomplishments To Date

As we are now onto our fourth modern slavery statement we thought it would be good to list all of the actions we have achieved to date, since our statements first started.

- A presentation is given to the Board each year to make them aware of each statement before it is published.
- Increase in employee awareness through an initial presentation and annual splashscreen.
- We have updated our Whistleblowing Policy.
- We have updated our induction process to include modern slavery and human trafficking.
- We have updated our legal templates where applicable.
- Our Culture Questionnaire was updated and has been sent out to all IT and clothing suppliers who are seen to be higher risk suppliers.

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- The Global Slavery Index is used to identify high risk countries and associated suppliers have been questioned to better understand their supply chains.
- Where we have suppliers with on-site staff we have collated their modern slavery statements.



Closing Statement

We feel we are taking the right steps on our journey regarding modern slavery. Some of the actions we recognise will take a long time to complete, for example the supply chain mapping. We hope to report year on year progress with these lengthy tasks to show that we are continuing to identify and report any instances that we do find and how we are tackling these.

As an organisation we are committed to the welfare of our staff, customers, suppliers and other stakeholders through a zero harm initiative. We feel that there is more that can be done both internally and externally to help eradicate modern slavery and the aim is to work through the various actions that we have identified, with the resource that we have. If we keep modern slavery high on our agenda we think we can help to make a difference.



Board Approval

This Statement has been approved by the Board of Directors for the Altro Group.

A handwritten signature in blue ink, appearing to read 'Richard Kahn'.

Richard Kahn

Managing Director – Altro Group