



INTRODUCTION

K-FLEX (UK) Ltd is pleased to issue this Modern Slavery and Human Trafficking Statement in compliance with Section 54 of the UK Modern Slavery Act 2015. This statement sets out the steps that K-FLEX (UK) has taken during our current financial year to ensure that slavery and human trafficking are not taking place in any of its supply chains or in any part of our business.

The Group has reviewed and has confirmed their commitment to the requirements of the Modern Slavery Act 2015 to improve its transparency and awareness of its own supply chain in the areas of modern slavery and human trafficking. K-FLEX (UK) are also demonstrating its commitment to ensuring that we act ethically and with integrity in all our business relationships and expect our supply chain partners to do the same.

In order to achieve this, K-FLEX (UK) are taking steps to ensure modern slavery does not take place anywhere in the UK business and in any of our supply chains.

ORGANISATIONAL STRUCTURE

K-FLEX (UK) is a subsidiary company and is part of the L'ISOLANTE K-FLEX group with its Headquarters in Milan, Italy, specialising in the production of thermal and acoustic flexible elastomeric insulation. During its 30-year existence, the organisation has grown into a group of over 2,500 employees, with 25 sales offices across 63 countries and 12 production plants for insulation material. Its diversified products range provides solutions for various market sectors, including building, transportation, petrochemical and renewable energy. The UK site employs 29 staff and has its own logistics centre.

The Bevex range of beverage dispense equipment for the food and beverage sector is manufactured by K-FLEX (UK) with a variety of innovative insulated tubing products for the beverage industry worldwide.

Details of the Group can be found at www.kflex.com

SUPPLY CHAIN

The nature of our business requires that we work in conjunction with a range of suppliers. Our supplier chain consists of services such as consumables, plants and equipment, furnishings, building materials and office services. Whilst we believe the risks of modern slavery and human trafficking practices within the business are medium to low, we are taking steps to contacting all our suppliers to enquire about how they audit themselves and their supply chain. We are also asking to provide documentation as evidence to demonstrate compliance against Modern Slavery.

OUR POLICIES

K-FLEX (UK) has the following policies within our organization which will demonstrate our opposition to Modern Slavery.

Whistleblowing Policy (Available)

We have set up a whistleblowing policy referring to slavery and human trafficking and systems in place to make it easy for employees or suppliers to disclose any concerns they may have regarding such practices.

Training Awareness Programme (In Progress)

We will ensure all our employees are aware of the risks of modern slavery and human trafficking in our business and supply chains. We will circulate several communications using tools from Stronger Together (posters, leaflets, induction etc.) about what modern slavery is and how to deal with it if they come across any suspicious activities. Employees, customers and suppliers who may have concerns are directed to the Modern Slavery helpline **0800 0121 700** where they can complete a confidential disclosure form.



All senior management team and staff members will be given training on modern slavery, human trafficking and ethical trading and encouraged to identify and report any potential breaches they may come across.

Our Employee Code of Conduct (Available) provides an overview of how employees should act or behave when they represent the organization.

We only use specific and reputable agencies to source labour and verify their practices on an annual basis as part of our recruitment process.

RISK ASSESSMENT & DUE DILIGENCE

As part of our initiative to identify and mitigate risk we are currently assessing the risks of modern slavery and human trafficking across all our supply chain partnerships in the UK. These include:

- Mapping supply chain to assess products or geographical risks.
- Evaluating the risk for new suppliers
- To set up a process to review all aspects of the supply chain on an annual basis.

Our processes aim to:

- Identify, monitor and manage areas of potential risk in our business and supply chains
- Scrutinise any identified areas of risk within our business and supply chains
- Adopt a zero-tolerance approach to slavery and human trafficking throughout the organization and our supply chains
- Provide support and protection from detriment or disadvantage to any person who, in the public interest, raises genuine concerns amounting to a protected disclosure.

This will determine the appropriate due diligence to ensure that we have ethical employment practices in place throughout our business and will act and report accordingly.

EFFECTIVENESS OF OUR PROCESSES

Below is a list of performance indicators used by our organization to measure how successful we have been in safeguarding against slavery and human trafficking in our business and supply chains.

List the performance indicators

- No of new suppliers (%) per quarter who have completed a new supplier questionnaire to help us identify any risks concerning Modern Slavery.
- No of current suppliers (%) who have responded to our request for information per quarter has been met
- No of current suppliers (%) who have not responded to our request for information per quarter is below the target threshold
- Overall no. of suppliers (%) who are compliant against slavery and human has met the specified annual target
- Overall no. of suppliers (%) who are not compliant against slavery and human trafficking in supply chains is below the target threshold

We will review the supply questionnaires on a quarterly basis and highlight whether our target as been met for the no of responses received v the number of suppliers who have not responded. This will enable us to identify which of our suppliers require extra support or need further investigation.

We will also review whether the target has been met on the number of employees that have been trained by the end of the financial year under our Training Awareness Programme.



FURTHER ACTIONS, APPROVAL AND ENDORSEMENT

Following our review of our actions, this financial year to prevent slavery or human trafficking from occurring in our business or supply chains, we intend to take the following further steps to tackle slavery and human trafficking:

- Mapping supply chain to assess products or geographical risks.
- Contacting our suppliers to enquire about how they audit themselves and their supply chain.
- Evaluating the risk for new suppliers
- To set up a process to review all aspects of the supply chain on an annual basis.
- To set up a Training Awareness Programme for the business and supply chain.

This statement is made pursuant to section 54 (1) of the Modern Slavery Act 2015 and constitutes our Group's slavery and human trafficking statement for the financial year ending 31st December 2018. It will be reviewed on an annual basis and is approved to be published on the website. It has been approved and authorized by the Board of Directors of L'ISOLANTE K-FLEX and K-FLEX (UK) Ltd.

A handwritten signature in blue ink, appearing to read 'Dirk Parker', with a horizontal line underneath.

Signed by Dirk Parker, General Manager (UK)

On behalf of the Board of Directors

09.05.19