

## **Arran Isle Limited and its Subsidiary Companies (“Arran Isle”) Modern Slavery Act 2015 Policy and Statement 2019**

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Modern slavery encompasses slavery, servitude, human trafficking and forced labour. The Arran Isle Group has a zero tolerance approach to any form of modern slavery. Integrity and mutual respect are cornerstones of our business values. We are committed to acting ethically and transparently in all business dealings. We are determined to have effective systems and controls in place to raise awareness of, and to safeguard against, any form of modern slavery taking place within the Group or, to the best of our ability, anywhere in the Group’s supply chain.

### Our Business

This policy and statement covers all of our Group businesses:

- European Hardware businesses in the United Kingdom:
  - Heywood Williams Components Limited trading as Mila Hardware, as Window Ware and as Mila Maintenance
  - Carlisle Brass Limited trading as Carlisle Brass and as Eurolite
- Ireland - Mila Limited and Locks & Hardware Limited
- Nordic Countries and Baltic States - Mila Beslag AS and UAB Mila Baltics
- UAE - Carlisle Brass Ironmongery Trading LLC
- Group sourcing and manufacturing operations in Asia - Heywood Williams Components Limited Ningbo Representative Office and AI BEI XIN (Hangzhou) Machinery Ltd

### Our High Risk Areas

The Group recognises that exposure to modern slavery is likely to be more prevalent in low cost manufacturing countries such as India, China and Malaysia, which form the bulk of our import sourcing locations. In these areas, we have introduced vendor audits, regular compliance testing and communication processes to ensure we do all that we can to prevent modern slavery in any form.

### Our Policies

We operate policies to ensure that we are conducting business in an ethical and transparent manner. These include:

- Modern slavery policy. This policy and statement sets out the Group’s stance on modern slavery and explains how employees can identify any instances of this and where they can go for help.
- Recruitment policy. We operate a robust recruitment policy, including conducting eligibility to work checks for all employees in each territory in which we operate, to safeguard against human trafficking or individuals being forced to work against their will.
- Whistleblowing policy. We operate a whistleblowing policy so that all employees know that they can raise concerns about how colleagues are being treated, or practices within our businesses or supply chain, without fear of reprisals.
- Code of business conduct. This code explains the way we behave as an organisation and how we expect our employees and suppliers to act.

### Our Suppliers

The Group operates a formal supplier management policy in the high risk territories described above, and as part of this, maintains an approved supplier list. We conduct due diligence on all suppliers before allowing them to become an approved supplier. This due diligence includes an online search to ensure that the supplier has never been convicted of offences relating to modern slavery, pre-approval audits and questionnaires, along with subsequent periodic on site audits which include a review of working conditions. Our modern slavery policy generally forms part of our contract with all suppliers and they are required to confirm that no part of their business operations contradicts this policy.

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In addition to the above, as part of our contract with suppliers, where possible we require that they confirm to us that:

- They have taken steps to eradicate modern slavery within their business.
- They hold their own suppliers to account over modern slavery.
- They pay their employees any prevailing minimum wage applicable within their country of operations.

We will seek to terminate the contract with suppliers at any time should any instances of modern slavery come to light which are not rectified promptly.

Training

We regularly conduct training for our procurement/buying teams, and senior managers so that they understand the signs of modern slavery and what to do if they suspect that it is taking place within our businesses or supply chains.

Reporting

If a Group employee becomes aware of or suspects that there may be the possibility of any modern slavery abuses occurring within the Group or its supply chain, this must be reported immediately to the employee’s line manager and the business’s General Manager or Managing Director. The claim will then be investigated immediately and the findings reported to the Group Corporate Services Director and/or Controller. If the employee does not feel comfortable reporting the matter via this route or considers that the matter is not being investigated fully or dealt with appropriately, the matter should be reported immediately using the Group’s Whistleblowing Policy procedures which are widely publicised throughout the Arran Isle Group.

Our Performance Indicators

We monitor the effectiveness of the steps that we are taking to ensure that slavery and/or human trafficking is not taking place within our businesses or supply chains by reviewing at Group Board level any reports that are received from employees, the public, or law enforcement agencies indicating that modern slavery practices have been identified.

Approval for this Statement

This statement, which covers the Group’s financial year to 31 December 2018, was approved by the Directors of Arran Isle Limited on behalf of the Arran Isle Group. It will be reviewed annually and is pursuant to Section 54 of the Modern Slavery Act 2015.



**Martin Wardhaugh  
Group Chief Executive  
6 March 2019**