

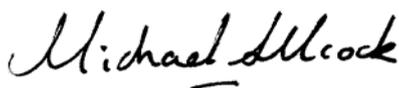


**SLAVERY AND
HUMAN
TRAFFICKING
STATEMENT
2021 - 2022**

FW THORPE PLC

STATEMENT FROM THE CHAIRMAN

This statement is made pursuant to Section 54, of the Modern Slavery Act 2015 and sets out the steps the Company has taken, in the period 1 July 2021 to 30 June 2022 (FY22), to ensure that slavery and human trafficking is not taking place in our supply chains or in any part of our business. As a business we are committed to doing all we can to combat slavery and human trafficking. We will update our company policies and procedures and put systems in place which will reflect our zero tolerance approach. We will encourage our suppliers to mirror our values and complement our stance on the issue. We will deliver training to ensure a high level of understanding and promote a company culture where a clear and robust stance against modern day slavery and human trafficking is maintained.



Mike Allcock
Chairman and Joint CEO - FW Thorpe Plc

ORGANISATION STRUCTURE

FW Thorpe Plc designs, manufactures and supplies professional lighting systems in the building and construction sector. It consists of 8 core lighting companies specialising in specific sectors of the lighting market. With recent acquisitions the Group now has a global annual turnover in excess of £140m and over 850 employees. FW Thorpe Plc sales and manufacturing operations are predominantly based in the UK but operations in the Netherlands and Spain are becoming increasingly important and now account for around 30% of sales. Sales offices also exist in a few additional locations worldwide. The head office is based in Redditch, where over 500 people are employed and the site contributes £84m to the Group turnover.

OUR BUSINESS

The production facilities at each of the lighting companies are supported by various departments including; Finance, Purchasing and Materials, Human Resources, Quality, Lighting Design, Design and Technical Engineering, Commissioning. We have robust procedures in place for the vetting of new employees and ensuring that we are able to confirm their identities.

OUR SUPPLY CHAINS

FW Thorpe has approximately 1000 suppliers (both production and non-production) supporting its worldwide operations. The supply chain involved in the manufacture of FW Thorpe's products is quite complex, involving multiple levels between the final lighting product and the basic raw materials. FW Thorpe operates a global sourcing strategy for components and raw materials; however, the majority of suppliers are based in the UK and Europe with relatively few based in China. FW Thorpe's suppliers are typically internationally recognised companies who actively manage the risks of modern slavery in their supply chains. All our product suppliers are subject to an approvals process before they are permitted to supply products. Many hold international quality standards and accreditations and are regularly audited both by the issuing authorities and ourselves to ensure ongoing compliance to quality standards and other regulatory requirements.

DUE DILIGENCE PROCESSES

Slavery and forced labour can take many forms, including human trafficking or child labour. We are committed to ensuring that there is no modern slavery or human trafficking in our supply chains or in any part of our business.

We continue to develop our Anti-Slavery Policy to reflect our commitment to acting ethically and with integrity in all our business relationships and review our processes when working with new and existing suppliers. Our processes continue to focus on "face-to-face" supplier contact backed up, where we see increased risk, with suppliers signing up to the FW Thorpe Plc Supplier Code of Conduct*. This clearly states that we will not tolerate forced labour or child labour in our operations or in the supply chain. FW Thorpe Plc Group companies will not continue to purchase goods or services from any supplier that is found to be engaging in human trafficking or using slave labour.

We continually review external media for reports, fines or sanctions against suppliers or countries where slavery incidents have occurred and have a process in place to act on anything that is highlighted.

* Available to view at:

www.fwthorpe.co.uk/pdf/fwthorpe-supplier-code-of-conduct.pdf

RISK ASSESSMENT

As in previous years we continue to build on the framework of supply base risk assessment. This approach considers the business sector the supplier operates in, the size and scope of its business, its geographical location, the length of time the relationship has existed with that supplier, any known issues identified by the procurement team and any measures that our suppliers have implemented to tackle modern slavery in their own supply chains.

To safeguard against human rights abuses in our supply chain the selection of suppliers is prioritised by;

- building long standing relationships, where possible, with local suppliers and making clear our expectations of business behaviour.
- mitigating risk by encouraging sourcing from UK, European or US suppliers as we expect these entities to have suitable anti-slavery and human trafficking policies and processes.
- maintaining contact with a UK/European company or branch, where the supplier is outside the geographical locations stated above, as we would expect them to adopt due diligence on the next link in the chain. For these suppliers a periodic inspection of their premises will be conducted to observe their operations, make clear our expectations of behaviour and ensure compliance with slavery and human trafficking laws.
- assessing the risk of any additional suppliers based on geographical location. This risk assessment is performed with input from external stakeholders, such as the FCDO (*Human Rights and Democracy: The 2020 Foreign and Commonwealth Report*, published in July 2021), and the Walk Free Foundation Global Slavery Index. (see fig. 1). Any higher risk suppliers will be asked to sign our Supplier Code of Conduct document, confirming that they, and their supply chains, conform to our Slavery and Human Trafficking policy. A periodic inspection of their premises will be conducted to ensure compliance with slavery and human trafficking laws.
- organisations that have policies to safeguard whistle blowers and encourage the reporting of slavery and forced labour concerns.

SUPPLIER ADHERENCE TO OUR VALUES

We have a zero tolerance stance on slavery and human trafficking. We expect all those in our supply chain and contractors to comply with our values.

We have a cross-functional compliance team which consists of Directors and senior managers from the following departments, Human Resources, Purchasing, Materials Project Management and Design, that will co-ordinate all the necessary activities to ensure FW Thorpe Plc complies with the requirements of the Act.

TRAINING

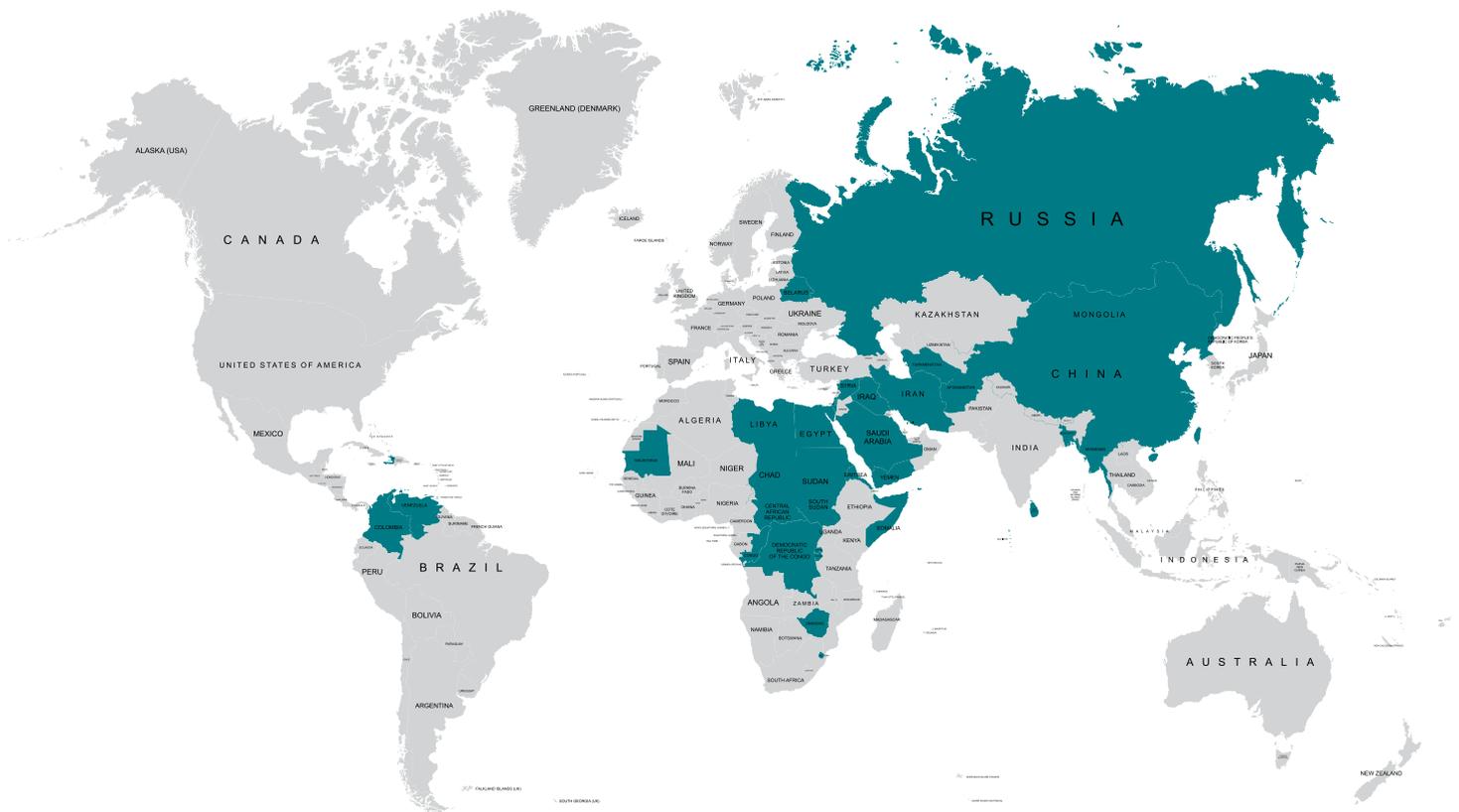
To ensure a high level of understanding of the risks of modern slavery and trafficking, we provide training to the procurement team and relevant members of our senior management team. Directors and senior managers in the business are also briefed on the subject.

Those employees engaging with new suppliers or suppliers from geographical locations where we see increased risk are actively involved with the Supplier Code of Conduct documentation and have a good understanding of modern slavery risks. Supplier awareness and commitment has recently been reaffirmed by the re-signing of Supplier Code of Conduct documents by the Directors of a number of long-standing suppliers.

Our new employee induction programmes and company handbooks provide awareness of our company values and ethical policies, including modern slavery. We continually promote openness and transparency and provide avenues to all our employees and those working on our behalf to raise concerns. A confidential helpline is available for those who may have personal challenges and/or concerns that may affect well-being and/or work performance. We take all allegations of any type of unethical or illegal behaviour very seriously and have personnel trained to deal with all reported concerns sensitively and thoroughly. We carry out independent investigations and take any relevant action.

fig.1

HUMAN RIGHTS AND WORKING CONDITIONS FOCUS COUNTRIES



Americas

Haiti, Columbia and Venezuela

Asia

Afghanistan, Bangladesh, Belarus, China, Democratic People's Republic of Korea, Maldives, Mongolia, Myanmar, Russia, Sri Lanka, Turkmenistan

Europe and Middle East

Bahrain, Iran, Iraq, Israel and the Occupied Territories, Saudi Arabia, Syria, Yemen

Africa

Burundi, Central African Republic, Chad, Democratic Republic of Congo, Republic of the Congo, Erytrea, Libya, Mauritania, Rwanda, Somalia, South Sudan, Sudan, Swaziland, Zimbabwe

OUR EFFECTIVENESS IN COMBATING SLAVERY AND HUMAN TRAFFICKING

We will measure how effective we have been in ensuring that slavery and human trafficking is not taking place in any part of our business or supply chains by monitoring and recording;

- the number of employees specifically trained in the Modern Slavery Act 2015.
- the number of suppliers, identified as being at increased risk of modern slavery, confirming that their organisations are slavery and human trafficking free.

In FY22 we had a total of 42 suppliers that had signed up to the FW Thorpe Supplier Code of Conduct.

24 members of the management and procurement teams have now been specifically trained in the risks of modern slavery and the Modern Slavery Act 2015.

Our FY22 review of suppliers did not identify any high risk suppliers or evidence of any modern slavery non-conformances in the supply chain. Additionally, no employees reported any concerns.

PROGRESS ON LAST YEAR'S PLANS

In last year's statement we stated that we would work with all the companies within the enlarged FW Thorpe Group around the world to ensure they understand our;

- zero tolerance policy on slavery and human trafficking within our operations or in the supply chain.
- expectations of behaviour and compliance with all applicable slavery acts and regulations.

During the last year we have actively engaged and discussed our anti-slavery policies and procedures with senior management within the Group. Where appropriate, existing Business Conduct and Ethics code documents have been modified to incorporate forced labour and modern slavery policies. To increase awareness among employees, additional training has either taken place or is planned for employees across the various companies. Practical information to show the warning signs and impact of modern slavery and related issues have continued to be displayed around the companies' facilities. Procurement functions have also been developing systems to more clearly identify and monitor the operations of higher risk suppliers.

Our plans for FY22 stated that following an easing of COVID-19 restrictions we would re-engage with suppliers on a face-to-face basis to make clear our expectations and conduct inspections to ensure slavery act compliance. However, on-going restrictions within our primary focus country of China have prevented us being able to achieve this objective. We will continue to monitor and review the suppliers within this region and request signed copies of our Supplier Code of Conduct document to reaffirm their compliance with our policies.

To increase corporate transparency FW Thorpe Plc added its Modern Slavery statement to the UK government registry in this financial year. All UK subsidiaries can be found under the one company name of F.W. Thorpe Public Limited Company. The registry will continue to be maintained as each annual statement is published.

OUR PLANS FOR THE NEXT FINANCIAL YEAR

We will continue to review the effectiveness of the steps we have taken to ensure there is no slavery or human trafficking in our supply chains by continuously improving our policies, procedures and systems that we have implemented.

Our zero tolerance approach will continue in FY23 with particular focus on organisations;

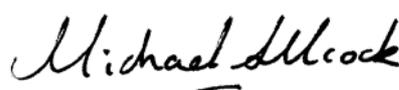
- operating in countries identified as having a poor record with regard to human rights and working conditions.
- with employees in the age groups and most common nationalities of potential modern slavery victims identified by the UK's National Referral Mechanism (NRM).

We will also aim to further strengthen our approach to managing modern slavery risk through the following activities;

- ensuring our supply chains do not have forced labour operations affecting Uyghur, or other ethnic minorities, within the Xinjiang region of China.
- continuing to encourage all companies within the FW Thorpe Group to have a common and consistent approach to monitoring and combating modern slavery in their supply chains. Companies that have joined the Group in the last financial year will be introduced to the modern slavery policies and procedures adopted within the rest of the organisation.
- develop a more formal desktop risk assessment process for the suppliers within our supply chains.
- where practical, as COVID-19 restrictions ease within our primary focus country of China, re-engage with suppliers on a face-to-face basis to make clear our expectations of labour and ethical behaviour and conduct inspections to ensure compliance with slavery and human trafficking laws.

APPROVAL

This statement constitutes the FW Thorpe PLC slavery and human trafficking statement for the financial year ending 2021 - 2022. It has been formally approved by the Board of FW Thorpe Plc on the 17th November 2022 and signed on its behalf by Mike Allcock, Chairman and Joint Chief Executive Officer.



Mike Allcock
17th November 2022
Chairman and Joint CEO - FW Thorpe Plc

This statement covers the following FW Thorpe Plc subsidiary companies:

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| Thorlux Lighting | Solite Europe Ltd |
| Thorlux Lighting Ltd Ireland | Portland Lighting Ltd |
| Thorlux Lighting GmbH | TRT Lighting Ltd |
| Thorlux Lighting Australasia PTY Ltd | Lightronics B.V. |
| Thorlux Lighting L.L.C. | Famostar Emergency Lighting B.V. |
| Philip Payne Ltd | Electrozemper S.A. |

FW THORPE PLC