



## **Modern Slavery and Human Trafficking statement Linde Material Handling UK Ltd (LMHUK)**

Linde Material Handling UK Ltd (LMH UK) is a subsidiary of the KION Group, one of the world's leading manufacturers of forklift trucks and warehouse equipment. The KION Group is the world's second largest manufacturer of industrial trucks and one of the leading suppliers of automation solutions for intralogistics

This statement sets out the steps that we have taken to ensure that slavery and trafficking are not taking place in any of our supply chains, or in any part of our own business. The use of the term 'modern slavery' has the meaning given in the Act.

The HR Director is responsible for ensuring compliance, that the statement is published and reviewed on an annual basis .

### **Organisational structure**

LMH UK is made up of 1650 employees working in 11 legal entities across the UK. The business is involved in the sales and service of material handling equipment. The majority of this equipment is produced in our factories in Germany, France and China. As a sales and service business unit of KION Group AG the UK purchases manufactured equipment through other companies in the Group and in addition LMHUK purchases third party goods and services from the UK and Europe with a small volume from countries outside of Europe.

### **Our policy**

LMH UK are committed to ensuring that we have a zero-tolerance approach to modern slavery and human trafficking. We are committed to acting ethically and with integrity in all our business dealings and relationships and to implementing and enforcing effective systems and controls to ensure modern slavery and human trafficking is not taking place anywhere within our Company or those of our suppliers.

### **Policy Enforcement**

Our policy has been issued throughout the business and has been incorporated into our terms of business with our suppliers and in our dealing with our employees with regard to ensuring that all our employees are paid at least the National Minimum Wage and have the right to work in the UK. Our policy is designed to comply with the Modern Slavery Act 2015.



We are committed to ensuring that there is transparency in our own business and in our approach to tackling modern slavery throughout our supply chains, consistent with our disclosure obligations under the Modern Slavery Act 2015. We expect the same high standards from all of our contractors, suppliers and other business partners, and we have updated our contracting processes to include specific prohibitions against the use of forced, compulsory or trafficked labour, or anyone held in slavery or servitude, whether adults or children. We expect our suppliers to hold their own suppliers to the same high standards.

All employees have an obligation to familiarise themselves with the Company's procedures to help in the identification and prevention of modern slavery and to conduct business in a manner such that the opportunity for and incidence of modern slavery is prevented. Adherence to this policy forms part of all employees' obligations under their contract of employment.

Whilst recognising our statutory obligation to set out the steps it has taken to ensure that modern slavery and human trafficking is not taking place in our supply chain, we acknowledge that we do not control the conduct of individuals and organisations within our supply chains. To underpin our compliance with practical steps, we have implemented the following measures:

- a risk assessment to determine which parts of the business and which of our suppliers are most at risk of modern slavery so that efforts can be focused on those areas;
- engaged or communicated with current suppliers both to convey our Anti-Slavery Policy and to gain an understanding of the measures taken by them to ensure modern slavery is not occurring in their businesses;
- introduced supplier pre-screening as part of our tender process;
- introduced contractual provisions for our suppliers to confirm their adherence to this policy and accept our right to audit their activities and (where practicable) relationships, both routinely and at times of reasonable suspicion.

### **Assessment and management of risks**

Our suppliers have been assessed dependent on our annual spend with them regardless of whether the purchasing conducted through our Head Office or through any of our legal entities.





The Managing Directors of all the suppliers have been contacted in writing and have been advised about our Anti-slavery policy and our zero tolerance approach to modern slavery. They have been advised that in order to continue our business relationship with them that we expect them to act at all times in a way that is consistent with our Policy aims. They have been advised that we expect the same standards from all of our contractors, suppliers and other business partners and they have been directed to complete an assessment which outlines the measures that they have put in place.

If we become aware of slavery or human trafficking concerns within our supply chains, we would seek to work with the relevant suppliers to improve conditions for their workforce. We reserve the right to deselect suppliers if they were to fail to make the required improvements within a reasonable timescale. To date, we are not aware of any reports of slavery or human trafficking within our supply chain.

### **Employee Awareness**

Our Anti-slavery and human trafficking policy has been brought to the attention of all current employees. For new employees this policy forms part of their induction programme. All Directors and members of the management team have been briefed on the subject.

Any concerns about slavery or human trafficking can be raised through our whistleblowing procedure.

### **Monitoring and review process**

A screening process has been issued to our supplier base.

These reviews will fall in line with the existing review process which is carried out by the Purchasing Manager and Quality Manager.

We have undertaken an exercise to assess slavery and human trafficking risk within our supply chains. We have evaluated our suppliers by considering the countries where our suppliers are based, products and services being supplied and volume of spend. The data have been evaluated against external sources on perceived slavery risk within sectors and geographic areas, to assess whether suppliers potentially represent higher slavery risk.

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes LMHUK's modern slavery and human trafficking statement for the financial year ending 31 December 2016.

A handwritten signature in blue ink, appearing to read "Massimiliano Sammartano".

Massimiliano Sammartano  
Managing Director, Linde Material Handling (UK) Ltd.

13 June 2017