

MODERN SLAVERY STATEMENT FOR FINANCIAL YEAR 2018

This statement is made pursuant to s.54 of the Modern Slavery Act 2015 and sets out the steps that Hemmersbach GmbH & Co. KG ("Hemmersbach") has taken and is continuing to take to ensure that modern slavery or human trafficking is not taking place within our business or supply chain.

Modern slavery encompasses slavery, servitude, human trafficking and forced labour. Hemmersbach has a zero tolerance approach to any form of modern slavery. We are committed to acting ethically and with integrity and transparency in all business dealings and to putting effective systems and controls in place to safeguard against any form of modern slavery taking place within the business or our supply chain.

We published our first Modern Slavery Statement in January 2018. Since then we have increased our efforts further and focused on strengthening our work in the areas of high-risks as well as on raising awareness amongst our employees and within our supply chain.

OUR BUSINESS

As a service provider for the IT industry, we do our best every day to offer our customers excellent performance - everywhere.

Hemmersbach covers all possible actions on a global scale for both manufacturers and outsourcers.

We are supported worldwide by more than 3,400 permanent employees in 38 subsidiaries and offer our services in more than 190 countries. In countries where we do not have own entities, we work with Authorized Partners (HAPs) who are legally bound to Hemmersbach and integrated into our ticket system. We have currently about 980 HAPs worldwide. The amount of HAPs almost quadrupled compared to our previous fiscal year demonstrating the continuous growth and development of Hemmersbach. Being amongst Europe's fastest growing country underlines the fact that our business model is a real benefit for our customer and that we are able to make a difference in the IT section.

OUR HIGH-RISK AREAS

As we are operating in the service sector, we have identified our biggest risk in the employment procedure and working conditions of our HAPs that are part of our supply chain. Therefore, we have developed our Service Provider Code of Conduct.

The Hemmersbach Service Provider Code of Conduct contains key principles and requirements for our Service Providers, contractors and other providers with respect to responsible social, environmental and ethical practices and captures a zero tolerance approach to exploitation.

All Service Providers - and all their sub-Service Providers - must comply with this Code and Hemmersbach expects all Service Providers to communicate the obligations and ensure compliance with the code throughout their organizations and supply chains.

In order to verify compliance with the Code, we deserve the right to conduct on-site audits at our Service Providers' premises. The Audit selection is based on various criteria such as the Global Slavery Index, the Corruption Perceptions Index or the Child Labour Index.

Further, we conduct due diligence on all Service Provider before allowing them to become a Hemmersbach Authorized Partner. This standardized onboarding process ensures that our service has the same quality worldwide.

We have also identified excessive working hours as a high risk. As part of our on-site audits, we therefore focus on the methods used by our service provider to record their employees' working hours and thus avoid the excessiveness of them.

If we identify non-compliance, we work with our Service Provider together to implement corrective actions. However, if the Service Provider is not willing to work with us we will terminate the business partnership.

Furthermore, we also evaluated our Service Provider concerning diversity aspects. As a first step, our focus was on determining KPIs that indicate how much minorities and women are employed as well as if the company falls under the definition of a small business given by the EU.

OUR POLICIES

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

Hemmersbach's Policy for Social, Ethical and Environmental Responsibility

We are a global IT service provider dealing with businesses in numerous countries around the world. Therefore, Hemmersbach not only fully complies but expects all associated parties to comply with all local, regional, national, international laws, and regulations as well. Moreover, Hemmersbach is committed to adhering to the highest standards of social, ethical and environmental responsibility and a constant improvement in these areas.

The labour section of our Policy ensures that work performed shall be based on an officially recognized employment relationship established in compliance with applicable laws, regulations and practices as well as international labour standards. It includes a zero tolerance of forced, bonded, indentured or involuntary prison labour, slavery or trafficking of persons as well as child labour.

Furthermore, we live an open and honest communication philosophy within our company. Its' clear structure paired with our flat hierarchy contributes to the fact that employees know whom to turn to in case of any arising issues.

Recruitment Policy

We operate a robust recruitment policy, including conducting eligibility to work in the UK checks for all employees to safeguard against human trafficking or individuals being forced to work against their will. Also, the effective abolition of child labour is a key element of our Human Resource department whose procedures ensure global compliance.

OUR CONTRIBUTION TO THE UNITED NATIONS GLOBAL COMPACT (UNGC)

With our signature to the UNGC in May 2017, we dedicated ourselves to an ongoing commitment to respect and support the initiative of the UNGC. It is of great importance to us to bring our actions in line with the principles-based framework for businesses. Our goal is to implement the UNGCs Sustainable Development Goals step by step through a culture of integrity and corporate sustainability that meets fundamental responsibilities in the areas of human rights, labour, the environment and anti-corruption.

OUR SUPPLIERS

Our Service Provider are ranked in importance by their turnover. The Top 50 are being evaluated based on various criteria from the responsible managers either local or central in cooperation with the project manager. The Service Provider has the possibility to influence the ranking by improving their performance in one of the criteria. Thus, we have an agile process in place which can be extended to prospective services.

TRAINING/AWARENESS-RAISING PROGRAM

In order to raise awareness of modern slavery, mandatory online training for all employees about our Social, Ethical and Environmental Policy was implemented. We also include ethical and social topics in our internal newsletter as well as in our employee handbook. Furthermore, we conduct onsite training within our own facilities but also on customer sites to ensure that the contents have been comprehended.

OUR PERFORMANCE INDICATORS

In order to know the effectiveness of the measures we are taking and to ensure that slavery and / or human trafficking is not taking place we use the following key performance indicators (KPIs):

- Internal audits reports as well as Service Provider audit reports. As for fiscal year 2018, no slavery has been detected
- No reports received from employees, the public, or law enforcement agencies to indicate that modern slavery practices have been identified
- Continuous sensitizing of our employees and the whole supply chain through open communication, training modules and policies

APPROVAL FOR THIS STATEMENT

This statement was approved by the Chief Executive Officer on January 12th, 2019.

Ralph Koczwaro



Nürnberg, 12.01.2019