

Fraikin



Fraikin Ltd.
Modern Slavery Statement
2017

FRAIKIN LTD

Registered and Head Office
Fraikin House, Torwood Close
Westwood Business Park
Coventry CV4 8HX

Tel: 02476 694494
Fax: 02476 470419

Web: www.fraikin.co.uk
Reg. No. 1350718
VAT No. 225 1237 01

Directors:
P.L. Colin
E.W.J. Cowell

Introduction

This statement sets out Fraikin Ltd's actions to understand all potential modern slavery risks related to its business and to put in place steps that are aimed at ensuring that there is no slavery or human trafficking in its own business and its supply chains. This statement relates to actions and activities during the financial year [1st January 2017 to 31st December 2017].

As part of the Commercial Vehicle leasing and rental sector, the organisation recognises that it has a responsibility to take a robust approach to slavery and human trafficking.

The organisation is absolutely committed to preventing slavery and human trafficking in its corporate activities, and to ensuring that its supply chains are free from slavery and human trafficking.

Organisational structure and supply chains

This statement covers the activities of Fraikin Ltd.

- Fraikin Ltd, is the UK element of Europe's largest Commercial Vehicle and Leasing organisation. Alongside the financial leasing Fraikin Ltd also has an engineering network of 8 internal automotive workshops within the UK and we work with 1,110 external suppliers based within the UK and Ireland.

Countries of operation and supply

The organisation currently operates in the following countries:

- UK
- France
- Poland
- Spain
- Italy
- Benelux
- Switzerland
- Germany
- Saudi Arabia
- Hungary
- Luxembourg
- The Netherlands
- The Czech Republic
- Russia

The following is the process by which the company assesses whether or not particular activities or countries are high risk in relation to slavery or human trafficking:

- Level of choice over supplier, UK oriented or dictated centrally
- Frequency of audit/inspection cycles

High-risk activities

The following activities are considered to be at high risk of slavery or human trafficking:

- The procurement of Automotive parts from outside of the UK.
- The use of suppliers dictated from a non UK based function who may not be aware of the UK's legislative requirements on a day to day basis.

Responsibility

Responsibility for the organisation's anti-slavery initiatives is as follows:

- **Policies:**
 - The Human Resources Team at Fraikin in conjunction with the Procurement and Engineering team will be responsible for the creation of the appropriate policies to both inform and enable employees to be able to work appropriately and within the Modern Slavery Legislation.
- **Risk assessments:**
 - Engineering - Head of Engineering
 - Procurement – Head of Procurement
 - Supply Chain – Fleet Operations Director
- **Investigations/due diligence:**
 - Head of Engineering
 - Head of Procurement
 - Fleet Operations Director

- **Repair Dealer Agreement:**

We include a statement in relation to Modern Slavery in our Parts and Repair Dealer Agreements which states that our suppliers understand the Modern Slavery Act and accept their responsibilities under this. By signing they confirm that they will adhere to the same standards as ourselves in respect of managing risk and excluding Modern Slavery from their supply chains. Failure to sign or comply with this clause may ultimately result in the termination of the agreement.

Relevant policies

The organisation operates the following policies that describe its approach to the identification of modern slavery risks and steps to be taken to prevent slavery and human trafficking in its operations:

- **Whistleblowing policy** The organisation encourages all its workers, customers and other business partners to report any concerns related to the direct activities, or the supply chains of, the organisation. This includes any circumstances that may give rise to an enhanced risk of slavery or human trafficking. The organisation's whistleblowing procedure is designed to make it easy for workers to make disclosures, without fear of retaliation. Employees, customers or others who have concerns can
- **Employee code of conduct** The organisation's code makes clear to employees the actions and behaviour expected of them when representing the organisation. The organisation strives to maintain the highest standards of employee conduct and ethical behaviour when operating abroad and managing its supply chain.
- **Procurement code of conduct** The organisation is committed to ensuring that its suppliers adhere to the highest standards of ethics. Suppliers are required to demonstrate that they provide safe working conditions where necessary, treat workers with dignity and respect, and act ethically and within the law in their use of labour. The organisation works with suppliers to ensure that they meet the standards of the code and improve their worker's working conditions. However, serious violations of the organisation's supplier code of conduct will lead to the termination of the business relationship.
- **Recruitment policy:** During 2017 we will implement a Recruitment policy in which it is stipulated that the organisation uses only specified, reputable employment agencies to source labour and always verifies the practices of any new agency it is using before accepting workers from that agency.

Due diligence

The organisation undertakes due diligence when considering taking on new suppliers, and regularly reviews its existing suppliers. The organisation's due diligence and reviews include:

- mapping the supply chain broadly to assess particular product or geographical risks of modern slavery and human trafficking;
- evaluating the modern slavery and human trafficking risks of each new supplier [this may be part of a more general human rights or labour rights assessment];
- reviewing on a regular basis all aspects of the supply chain based on the supply chain mapping;
- conducting supplier audits or assessments through the relevant business functions, which have a greater degree of focus on slavery and human trafficking where general risks are identified;
- taking steps to improve substandard suppliers' practices, including providing advice to suppliers through third party auditors and requiring them to implement action plans;
- invoking sanctions against suppliers that fail to improve their performance in line with an action plan or seriously violate our supplier code of conduct, up to and including the termination of the business relationship.

Performance indicators

The organisation has reviewed its key performance indicators (KPIs) in light of the introduction of the Modern Slavery Act 2015. As a result, the organisation is:

- requiring all staff working in the UK with supply chain responsibilities to have completed training on modern slavery by 31st December 2017;
- developing a system for supply chain verification, whereby the organisation evaluates potential suppliers before they enter the supply chain; and
- reviewing its existing supply chains by 31st December 2017 whereby the organisation evaluates all existing suppliers.

Training

The organisation requires all staff working in the UK with supply chain responsibilities within the organisation to complete training on modern slavery.

This training will cover:

- how to assess the risk of slavery and human trafficking in relation to various aspects of the business, including resources and support available;
- how to identify the signs of slavery and human trafficking;
- what initial steps should be taken if slavery or human trafficking is suspected;
- how to escalate potential slavery or human trafficking issues to the relevant parties within the organisation;
- what external help is available, for example through the Modern Slavery Helpline, Gang masters and Labour Abuse Authority and "Stronger together" initiative;
- what messages, business incentives or guidance can be given to suppliers and other business partners and contractors to implement anti-slavery policies; and
- what steps the organisation should take if suppliers or contractors do not implement anti-slavery policies in high-risk scenarios, including their removal from the organisation's supply chains.

Awareness-raising programme

As well as training staff, the organisation has raised awareness of modern slavery issues by circulating a series of emails to staff.

The emails explain to staff:

- the basic principles of the Modern Slavery Act 2015;
- how employers can identify and prevent slavery and human trafficking;
- what employees can do to flag up potential slavery or human trafficking issues to the relevant parties within the organisation; and
- what external help is available, for example through the Modern Slavery Helpline.

Fraikin UK Board Approval

This statement has been approved by the directors of our business who will review and update it annually.

Ed Cowell:

A handwritten signature in black ink, appearing to read 'Ed Cowell', written in a cursive style.

Date:

Wednesday 28th June 2017