

UK Modern Slavery Act 2015

This statement is made by the Schouw & Co. Group (the "Group") pursuant to Section 54 of the UK Modern Slavery Act 2015 and applies to all the Group's wholly owned portfolio companies and subsidiaries. The Group has commercial activities in the UK and an annual turnover of more than GBP 36m.

This statement was approved by the Group Executive Management on 28 June 2019.

Structure and supply chains

The Group is an industrial conglomerate with diversified activities across various business sectors and locations. The majority of our activities are located in Denmark and elsewhere in Europe. The Group also has considerable business operations in non-European countries, mainly in Thailand, Malaysia, Sri Lanka, China, Chile, Ecuador, Brazil, South Africa, USA and Mexico. The production facilities which are operated in non-European countries are generally equivalent to the European units.

The supply chains of the Group include the following:

- production processes of raw materials including marine and vegetable materials;
- processing operations for sourced components;
- contract manufacturing agreements; and
- distribution arrangements.

Through the Group's close work with its supply chains, we have substantial monitoring and compliance controls with respect to our raw material suppliers.

Policies on human rights

Regardless of which country we operate in, each company in the Group is dedicated to observing human rights and treating employees with dignity and respect. The Group supports and respects the protection of internationally proclaimed human rights as set out in the UN Universal Declaration of Human Rights and the declarations and recommendations of the ILO.

Risk Management

We are committed to ensuring that our business and supply chains are free from slavery or human trafficking. We expect our portfolio companies to understand and address our expectations related to human rights, and to inform management and employees if expectations are not being met.

We have performed general assessments of the primary risks affecting the Group in relation to human rights and strive to uphold the same high standards on all production units, particularly where units are located in what are defined as high risk countries. These assessments were carried out in collaboration with representatives from the Group's major businesses.

Due to the nature of our business and the policies already in place, modern slavery and human trafficking is not believed to constitute a significant CR risk within the Group. Nevertheless, the Group pay considerable attention to ensuring that high standards are maintained in terms of human rights. The Group is committed to acting professionally, fairly and with integrity in all our business dealings and relationships wherever we operate. We will continue to monitor our supply chains and business operations in relation to slavery and human trafficking through future general risk assessments.

Action to address slavery and human trafficking

In 2018, we have not taken any steps which focus exclusively on preventing slavery and human trafficking. However, in 2018 the Group has worked specifically with implementing tools for responsible supply chain management covering areas as human rights as well as social and labour conditions. The efforts during the year were coordinated through workshops with representatives from the Group's major businesses, combined with individual studies in each of the businesses, all facilitated by external consultants. Further, in 2018 we have maintained a strong focus on our suppliers' CSR strategies and strive to create ongoing improvements, focussing specifically on any high-risk suppliers from industries that are known to face particular challenges, or from countries where internationally recognised principles for human rights and labour rights are not always fully respected.



Jens Bjerg Sørensen
President



Peter Kjær
Vice President