

EKF Diagnostics Holdings plc – Group Statement of Compliance with The Modern Slavery Act 2015

Introduction

EKF Diagnostics Holdings plc and its Subsidiary Companies, EKF Diagnostics GmbH and Stanbio Laboratories, operate in a number of countries including the UK. We are committed to ensuring that exploitation with regards to any form of Slavery or Human Trafficking does not take place in any part of our business or supply chain.

Section 54, Part 6 of the Modern Slavery Act 2015 (the 'Act') requires all organisations to set out the steps the organisation has taken during the financial year to ensure that slavery and human trafficking is not taking place within either its UK business or the supply chains to that business.

Organisational Structure

EKF Diagnostics Holdings plc consists of several wholly owned subsidiaries including Stanbio Laboratory LP, Separation Technology Inc., EKF Diagnostics GmbH, SensLab GmbH, DiaSpect Medical GmbH, and EKF Diagnostyka Sp.z.o.o. This Corporate statement of compliance is valid and effective for all wholly owned subsidiaries of the parent company.

The Group operates has operations in the UK, the USA, Germany and Russia, and has a combined annual turnover in excess of £65m. We sell to over 100 countries throughout the world.

Our Business

EKF Diagnostics is a global medical diagnostics business with a long history in point-of-care testing and manufacturing reagents for use in central laboratories, and a growing business in contract manufacturing.

Our point-of-care (POC) products, most of which are designed and manufactured in Germany, have a hard-earned reputation for ease of use, reliability and accuracy from professionals working in diabetes, blood banking and sports medicine.

Through Stanbio Laboratory, we have built a global customer base for our clinical chemistry reagents that can be used on most open-channel analyser platforms. The business also includes the manufacture of enzymes and hematology products.

Our Policy

We are committed to ensuring that there is no modern slavery within our business, in our supply chain or with the distributors that we deal with. We aim to demonstrate that the EKF Diagnostics Group follows good practice and all reasonable steps are taken to prevent slavery and human trafficking. We believe that all individuals who work within our business should be treated with dignity and respect, rewarded fairly for their work and not exploited. We only wish to work with organisations in our supply chain that have similar commitment and are not involved in modern slavery.

Our Supply Chains

We operate in a highly regulated industry which is subject to a number of complex laws, rules and regulations. We expect all parties in our supply chain to comply with our values. We have commenced a process of seeking confirmation of this from our supply chain, third parties and distributors (UK and overseas).

Due Diligence Process

During the past 12 months we have introduced substantial contractual clauses to our new Distributor Agreements documents. These set out our expectations with Distributors, their officers, employees, agents and sub-contractors, regarding full compliance with the Act and our zero tolerance to any form of slavery or human trafficking. They are required to advise EKF immediately of any possible breaches. Contracts with other customers also include a compliance requirement where possible. All Distributors have been brought on to compliant contracts.

All suppliers are required to ensure that they provide employees with good working conditions, fair treatment and reasonable rates of pay and that they respect workers' human rights and comply with local labour laws and regulations. Wherever possible supplier contracts include clauses requiring compliance with the Act. Serious violations will lead to the termination of the business relationship.

Risk Assessment and Management

Sales and purchasing teams constantly assess and monitor our distribution and supply chains. They visit customers and suppliers on a regular basis. During these visits contractual items including compliance with the Act are discussed as necessary. Risk assessment is based on the size of the business, their location, and our team's assessment of the partner's business and management.

Activities to be undertaken in the next 12 months

A more detailed risk assessment of direct material suppliers will be undertaken. We will consider introducing monitoring on compliance with the Act to our supplier audits including a Corporate Governance Business Partner Due Diligence Questionnaire. We will consider the introduction of a Code of Conduct for suppliers and distributors.

Key Performance Indicators (KPI)

As part of the work outlined above, we will consider and implement appropriate KPI measures.

Training

The Board of Directors understands their responsibilities and relevant Group employees will receive guidance over the next year to fully understand their responsibility to be alert to the risks in our business and in the wider supply chains.

Training will be developed and delivered to all appropriate personnel, targeting those areas of the business which the Company identifies as posing the greatest risk from a slavery or human trafficking perspective. Work on our proposed Code of Conduct will include training designed to help our workforce understand how to put our values into practice in their daily working lives and manage ethical dilemmas they may encounter.

Staff will be instructed that they are expected to report concerns, with management being tasked to act upon any concerns.

We have in place an appropriate reporting framework to encourage the reporting of concerns and to ensure the protection of whistle blowers. All reports will be fully investigated and appropriate remedial actions taken.

Board of Directors' Approval

This statement, which relates to the year ended 31 December 2020, has been approved by the Board of Directors of EKF Diagnostics Holdings plc.

Julian Baines
Chief Executive Officer
June 2021