



**WIKA Instruments Limited
Modern Slavery Act 2015
2019 Statement**

Introduction

WIKA Instruments Limited ('WIKAI UK') is publishing this statement in accordance with the UK Modern Slavery Act 2015 (the 'Act'). Section 54 of the Act requires organisations with a turnover greater than £36 million to publish a statement which highlights the processes taken during the financial year to implement effective management of modern slavery risk. Our organisation is committed to ensuring the eradication of modern slavery and has taken steps to prevent exploitation throughout our operations and supply chains.

This statement covers WIKAI Instruments Limited for the financial year ending 31st December 2019.

Our Company Structure

WIKAI UK is part of the WIKAI Group, which has subsidiaries present in over 43 countries across the world with a total annual sales turnover of €1 billion. Over the past 60 years, WIKAI Group has built a reputation as a renowned partner and competent specialist for any task in the field of measurement technology. Within the WIKAI Group, there are currently more than 10,000 employees dedicated to maintaining and improving technology in pressure, temperature, force and level measurement, and in the fields of flow measurement, calibration and SF₆ gas solutions.

WIKAI UK is based out of 4 locations in the UK:

- Our head office is based in **Merstham, Surrey** with a small element of manufacturing based here but this is mainly a sales office for our products manufactured in our large manufacturing sites across the world; predominantly Germany, Poland, USA and India.
- Our second location is based in **Swanley, Kent** and this is a manufacturing facility for level measurement instruments.
- Our third location is based in **Irlam, Manchester** and this is a manufacturing facility for our calibration technology instruments.
- Finally, our fourth location is based in **Basingstoke, Hampshire** and is a research and development lab for electronic products.

At the end of 2019, our total headcount was 122 and our annual turnover was £38.6 million.

Our Supply Chain

We recognise that, like any business with global suppliers, our supply chain is at risk of being exposed to modern slavery. In order to better understand our exposure to modern slavery and therefore ensure effective supplier due diligence, we are committed to running a risk assessment of our supply chain.

In partnership with STOP THE TRAFFIK, we conducted an inherent risk assessment of our 2019 global supply chain. This process has enabled us to identify where in our supply chain our risk is concentrated, providing an objective methodology for our supplier categorisation and prioritisation.



STOP THE TRAFFIK's inherent risk mapping methodology consists of ranking each supplier based on their economic sector and country of operation. These rankings combine intelligence from multiple open-source datasets with additional analysis from STOP THE TRAFFIK's human trafficking Centre for Intelligence Led Prevention. The inherent risk mapping is a theoretical ranking exercise that identifies where risks are most likely to be within our supply chain, it does not confirm their existence.

WIKAI UK spends over £20 million annually on procurement from nearly 400 suppliers, with the majority of expenditure relating to other WIKAI Group companies. Limiting the analysis to suppliers outside of the WIKAI Group, WIKAI UK procures from approximately 350 suppliers. Over 80% of these non-WIKAI Group suppliers operate in the UK, whilst the others operate in range of countries including Italy, Austria, Germany, USA and France. Approximately 80% of our supply chain expenditure goes to companies manufacturing parts and components used in our products

The supply chain risk-mapping identified approximately 50% of WIKAI UK suppliers operate in a sector or country that is categorised as moderately-high for modern slavery risk, with an additional 3% of suppliers categorised as high-risk. These suppliers are primarily manufacturers of electronic and metal components which produce parts for our own products.

Policies and Due Diligence

Responding to the findings of the risk mapping, WIKAI UK is now implementing changes to enhance our procurement due diligence processes, ensure they meet best practice and prioritise those suppliers that are the most exposed to the risk of modern slavery.

WIKAI UK has introduced an Anti-Slavery and Human Trafficking Policy within our Staff Handbook that establishes the organisation's stance towards modern slavery and provides guidance for team members on how this impacts their roles. Additionally, a review of all supplier contracts is now underway to ensure that provisions relating to the prevention of modern slavery and human trafficking are consistently included within the terms and conditions.

This year, WIKAI UK intends to review our supplier on-boarding procedures and implement a new supplier-monitoring programme to ensure that suppliers are working within our established guidelines. This monitoring programme will enable us to determine if a supplier with an 'inherent' high risk has embedded the necessary procedures to mitigate that risk and achieve a low 'actual' risk. We will be exploring how we can use a combination of both ethical self-assessments and external social audits to develop such a monitoring programme.

Recognising that a significant percentage of our procurement spend is via other WIKAI Group subsidiaries, WIKAI UK intends to support other subsidiaries throughout the Group in establishing best practice in their procurement. Starting with those subsidiaries who are frequent suppliers to WIKAI UK, this will cascade best practice further along our supply chain and ensure modern slavery prevention is a global commitment that reaches further than our first tier.

A new objective of ours throughout this next year will be to create and implement a Responsible Sourcing Policy that establishes a clear set of ethical standards WIKAI UK requires all suppliers to abide by. The policy will address a range of issues including forced and bonded labour, rights at work, health and safety, and environmental protection.

Training

During this reporting year, modern slavery awareness training was rolled out to all UK employees. This training included how to spot the signs of modern slavery and how to report this within the organisation.

We will re-run 'refresher' training to all employees once a year to ensure that the topic remains a high focus within the organisation.

Additional training will also be provided to employees once we have implemented the planned changes to our policies and procedures. This will highlight the changes, outline how they affect team members' roles and responsibilities, and ensure awareness of modern slavery prevention is embedded within the organisation as a key objective of WIKA UK.

Measuring Performance

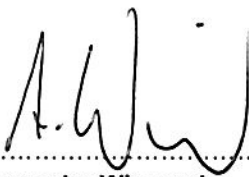
WIKA UK is currently in the process of implementing a software based system that gives us the ability to monitor customer and supplier data much more effectively. The system is centralised around non-conformities and it will allow us to generate key performance indicators and manage data back from suppliers in terms of modern slavery compliance. This will allow us to create and monitor the following KPIs once the system is up and running:-

- Percentage of suppliers which have completed the ethical questionnaire and our revised vendor approval process.
- Percentage of higher risk suppliers which are being monitored.

We will aim to work towards being able to actively monitor these KPIs each year once the system is fully implemented.

This statement is approved by a member of the Board of Directors of the WIKA Group.

Signed:



Mr Alexander Wiegand
Member of the Board of Directors
WIKA Alexander Wiegand SE & Co KG



Mr Jonathan Peurt
Managing Director
WIKA Instruments Limited

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