

MODERN SLAVERY STATEMENT 2020

OUR BUSINESS, STRUCTURE AND SUPPLY CHAINS

Guided by our strong company Values and Principles for over 170 years, we pride ourselves on being responsible corporate citizens in all countries and communities in which we do business. At Freudenberg Sealing Technologies, we maintain high ethical standards in all aspects of our business dealings and take steps to monitor and control these aspects within our supply chain. We will not agree to or condone entering into or carrying on business where illegal or unethical means are utilised.

The U.K. Modern Slavery Act 2015 requires commercial organisations carrying on a business or part of a business within the U.K. with an annual turnover of over £36 million to produce and publicise a modern slavery statement. This statement sets out the practices and procedures we have put in place to identify risks of modern slavery and human trafficking and steps we have taken to combat this throughout our business dealings.

We are a part of the Freudenberg SE group of companies (Group). This is our parent company responsible for business operations, the management and supervisory board, and the body that exercises control over business management and the leadership of the Group. This position is held jointly with Freudenberg & Co. Kommanditgesellschaft, responsible for strategic management and business development. More information on our company structure can be found at <https://www.freudenberg.com/company/company-structure>.

The Group operates as a global technology company providing consumer goods and products in the transport and mobility industry, energy and resource sector and a wide range of household products including textiles, chemicals and healthcare. The Group has around 48,000 employees across 58 countries with annual sales of over 8.8 billion euros.

Freudenberg Sealing Technologies Ltd incorporates three business streams in the UK:

- North Shields: the leading technology and manufacturing centre for damper and steering solutions serving predominately the automotive industry;
- Blackburn: precision diaphragms and moulded seals for the gas and fluid control industries and sealing, coupling and clamping products for the power transmission and energy market segments;
- Rugby: Freudenberg Sealing Technologies multi-user warehouse facility servicing a wide range of industries including aerospace, mobile machinery, fluid technologies as well as the independent aftermarket.

Our relationship with suppliers is varied and ever increasing, which is why we hold corporate responsibility and our values and principles are firmly anchored at the heart of our business and we are committed to ensuring that there is no modern slavery or human trafficking in our supply chains or any part of our business. More information on our Responsibility for Society model can be found at <https://www.freudenberg.com/responsibility>.

OUR POLICIES

As a part of our Sustainability Policy, we are always striving for solutions to improve living conditions across the globe. Freudenberg Sealing Technologies and the Group as a whole firmly believe that in order to hold our own as one of the leading global technology companies in the market, we must take steps in combatting and eliminating human trafficking and slavery, and ensuring that our employees and business partners are aware from the outset of our values and principles.

The Group's Human Rights & Labour Policy sets out our commitment to promoting the highest standards of personal behaviour, in order to protect our employees in the workplace and extend this duty towards our relationship with business partners and the public. In accordance with our Leadership Principles, the Group explicitly prohibits the exploitation of vulnerable people in any capacity.

Our Corporate Citizenship Policy promotes the Group's goal to become a good corporate citizen to all of the countries and communities in which you can find our products. We are committed to acting ethically and with integrity in all aspects of our business and to implementing and enforcing the necessary procedures and controls to eradicate trafficking and slavery from our supply chains.

Our Corporate Compliance Policy operates in order to ensure that our suppliers embrace and adhere to the behavioural principles that are central to our values and principles such as not using child labour or forced labour to achieve economical aims and protecting fair and respectful working hours and conditions.

Our Anti-Slavery Policy has been implemented to ensure that our employees are supported, guided and adequately trained to identify any potential slavery and human trafficking risks and how to manage and report any risks or potential risks that become apparent during the course of business.

DUE DILIGENCE PROCESSES

Central to our compliance management procedures and in order to comply with the Modern Slavery Act 2015, the Group has implemented cross-regional teams to provide employees with the opportunity to confidentially and proactively report any compliance violations or unethical practices. Known internally as Ethics Offices, these specialist teams are trained in risk assessing potential violations and operate across offices in Europe, North America, South America, India and Asia.

At a local level, our Public Interest Disclosure (Whistleblowing) Policy encourages all employees, agency workers and contractors to report any concerns related to company activities without fear of retaliation.

We ensure all employees and agency workers undergo appropriate identification procedures to ensure they have the right to work in the UK. We use only reputable employment agencies to source labour and ensure they verify eligibility to work.

SUPPLIER ADHERENCE TO OUR VALUES

We have a zero tolerance approach to slavery and human trafficking. We expect all of our suppliers to adopt and promote positive ethical behaviour and good working practices and to comply with all international laws regarding human rights and fair employment practices.

The Group are proud to be a part of the United Nations Global Compact, a voluntary corporate responsibility initiative that currently has over 12,000 participants committed to promoting fair and ethical business practices in accordance with values and sustainability. We are guided by the principles underlying the Global Compact in the four key areas of Human Rights, Labour, Environment and Anti-Corruption.

SAFEGUARDING

To ensure a high level of understanding of the risks of modern slavery and human trafficking in our supply chains and our business, we see our suppliers as partners with whom we wish to create long-term relationships based on trust.

As a result, we insist that from the onset of business dealings all new sign our Corporate Compliance Statement. This provides our suppliers with a guide to the behavioural principles we abide by and expect from them in return. We ensure that all new suppliers agree to adopt our Corporate Compliance Policy to ensure that we only engage with businesses with whom we share mutual principles and values of respectful working conditions and ethical treatment.

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes our slavery and human trafficking statement for the financial year ending 31 December 2020.



Peter Johnson

Director

Freudenberg Sealing Technologies Ltd