

CLINIMED (HOLDINGS) LIMITED

GROUP STATEMENT OF COMPLIANCE WITH THE MODERN SLAVERY ACT 2015

INTRODUCTION BY THE BOARD OF DIRECTORS

The Clinimed Group will not tolerate any supplier, representative or business partner found to be involved in slavery, servitude and forced or compulsory labour, or human trafficking, and continues to strive for the highest ethical business practices throughout the Group and its supply chain. To this end, we shall continue to put into place practices and policies which support the aspirations and objectives of the Modern Slavery Act 2015. We are committed to improving our practices to combat slavery, human trafficking and child labour.

OUR STRUCTURE

Clinimed (Holdings) Limited is a privately owned company with headquarters in High Wycombe, Buckinghamshire, and it has seven wholly owned, UK based, subsidiaries:

Clinimed Limited, a distributor of medical devices in the fields of ostomy, wound and continence care, based in High Wycombe;

Securicare (Medical) Limited, also based in High Wycombe, which provides specialist nurses to the NHS, and holds a Dispensing Appliance Contractor's licence to dispense ostomy products on prescription. It has a team of specialist nurses, a patient services department to support its patients, and has its own online pharmacy, which uses the trading name Pharmacare;

Welland Medical Limited, based in Crawley, West Sussex, designs and manufactures ostomy appliances which it supplies to the UK market through Clinimed Limited, and to the rest of the world through its distributor network;

Flexible Medical Packaging Limited, which blends and packages various medical devices for a range of customers, including Clinimed Group companies, within its Clean rooms in Lancaster and Morecambe;

Helapet Limited, based in Houghton Regis, Bedfordshire, which distributes clean room consumables to aseptic units throughout the country and undertakes the manufacture of wipes, cleaning solutions and filters at its facility, from its Cleanrooms;

Careflex Limited, which manufactures specialist seating at its base in Newton Abbott, Devon and supplies its products to NHS Trusts, Care Homes and private individuals through its own sales force and distributors.

Hydrokem Aerosols Limited, a specialist aerosol company, manufacturing a range of medical, personal care, household and technical products.

Clinimed (Holdings) Limited, as the parent company, provides legal, financial, HR and overall direction to the Group from its offices in Marlow, Buckinghamshire.

The Group has a global annual turnover such that it is required, at Group level, to publish a statement on its approach to modern slavery and human trafficking.

OUR SUPPLY CHAINS

We have considered our main sources of supply of goods and raw materials, recognising that a proportion of our business is intra Group. Our biggest customer in the UK is the National Health Service. However, we recognise that we also operate through distributors which, particularly in Welland's case, are situated around the world. We regularly meet with all our distributors and Welland, additionally, invites all its distributors to regular distributor meetings in the UK. Due to the continuing uncertainty related to the global pandemic, the distributors meeting in 2021 was held virtually. The overwhelming majority of our distributors around the Group are individuals or companies we have been working with over the long term: we know them well, and they know us as a Group with highly ethical standards.

Our raw materials and distributed goods are mainly sourced from within the UK (including our own Group companies) or Europe but we also have certain suppliers in other parts of the world and continue to add new suppliers.

Our supplier agreements include an acknowledgement and acceptance of the principles set out in our Modern Slavery statement, and these agreements continue to be rolled out to new and existing suppliers.

DUE DILIGENCE PROCESSES FOR SLAVERY AND HUMAN TRAFFICKING

We have continued to implement and improve systems which seek to:

- Fully understand our supply chains.
- Identify and assess potential risk areas in our supply chains, including having regard to the geographical location of suppliers and the monitoring of such locations against the Transparency International Corruption Perceptions Index.
- Auditing our suppliers. Where possible, this includes physical audits worldwide, which provide an opportunity to observe and converse with workers at supplier premises.
- Audit provides the opportunity to work with suppliers to mitigate the risk of slavery and human trafficking should they be found to be occurring in our supply chains.
- Monitor potential risk areas in our supply chains.

- Protect whistle blowers.

EMPLOYMENT PROCEDURES AND POLICIES

- Recruitment policy. We operate a robust recruitment policy, including conducting 'eligibility to work in the UK' checks for all potential staff to safeguard against human trafficking or individuals being forced to work against their will.
- Protection of Employees - by maintaining and communicating clear policies and procedures, for example, effective grievance and whistle blowing policies, all staff know that they can raise concerns about how they and their colleagues are being treated, or practices within our business or supply chain, without fear of reprisals. Our policies are designed and strictly adhered to as reassurance to our workers that our Group treats them fairly, equally and transparently and complies with all relevant legislation and best practice.
- We only employ agency workers through reputable employment agencies.

As much of the work we do involves the NHS, we are also required to adhere to its high standards of ethical requirements and its policies on such matters, and our own policies are to a large extent shaped by the requirements placed by the NHS on its suppliers of goods and services.

All but one of our businesses (our most recent acquisition) is accredited to Investors in People (Silver or above). The assessment of Hydrokem is being planned for 2023.

Throughout the coronavirus pandemic, our staff took pride in being essential key workers in an organisation whose focus is a supplier of health care related goods and continued to work safely at all our locations or where practicable and appropriate, flexibly at home.

The wellbeing of our staff is an important focus for us, but this has been especially focused during this time of global pandemic. Each of the businesses has access to at least one trained Mental Health First Aider, alongside Line Manager awareness learning and resilience workshops, which are available for all staff.

We conduct staff surveys at least annually at each of our businesses: we feed back results to the staff and ensure that they can see that we use the findings to make improvements where requirements have been identified. Our last staff survey in September 2021 was a timely opportunity to reach out to our staff to measure our emergency response to COVID-19. Participation was high with over 73% choosing to share their views. The survey provided good feedback and insights into how staff felt, and overall our engagement score was above 76%.

POLICIES ON SLAVERY AND HUMAN TRAFFICKING

We are committed to ensuring that there is no modern slavery or human trafficking in our supply chains or in any part of our business. Our Anti-slavery Statement reflects our commitment to acting ethically and with integrity in all our business relationships and to implementing and enforcing effective systems and controls to ensure slavery and human trafficking is not taking place anywhere in our supply chains.

SUPPLIER ADHERENCE TO OUR VALUES

To ensure all those in our supply chain and contractors comply with our values we shall expand our existing work to improve our supply chain compliance programme, involving the due diligence steps outlined above, by approaching a wider range of suppliers to ask them about their own work in this area, and the dissemination of this statement to them. Appropriate questions and sections concerning ethical practices have been added to our supplier evaluation questionnaires, SOPs, policies and risk assessments (RA). The responses and RA are regularly reviewed.

Clinimed maintains accreditation to and compliance with the NHS Labour Standards Assurance Scheme (level 2) and an annual internal audit takes place to ensure continued adherence. As this Scheme transitions to the (more robust) requirements of the Modern Slavery online assessment ("MSAT"), we shall be working to make any recommended improvements without delay. The MSAT is a modern slavery risk identification and management tool. This tool has been developed by the Government to identify risk of modern slavery, reduce identified risks and improve protections for workers in its supply chains. Public sector organisations are being encouraged to use the MSAT with existing suppliers, and as a supplier to NHS organisations, we support and shall aim to optimise and improve our submission when we are requested to complete the assessment. Additionally, our submission will help inform development of the processes and procedures we expect to see from our own suppliers to the wider Group, taking a risk-based approach.

Hydrokem remains a member of Sedex and as such is audited annually. Sedex is one of the world's leading ethical trade service providers, which works to improve working conditions in global supply chains.

TRAINING

To ensure a high level of understanding of the risks of modern slavery and human trafficking in our supply chains and our business, we shall make our staff aware of the issue of modern slavery and the company's attitude to it, whilst continuing to foster an environment in which all our staff feel empowered to, and secure in, raising any concerns they may have.

Our Group's senior procurement professionals are members of CIPS (Chartered Institute of Purchasing and Supply) which, as an organisation, has a wealth of guidance and online training available. We shall encourage procurement staff to carry out this training and to use the CIPS website for further guidance in this field.

FURTHER STEPS

We shall continue to review compliance throughout the coming year, and future statements will demonstrate the development and the attainment of the goals expressed herein.

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes our Group's slavery and human trafficking statement for the financial year ending 31st December 2021. It has been approved by the Board of Directors of Clinimed (Holdings) Limited.



Nigel D Piercey,
Group Chairman,
Clinimed Group of Companies.

Date: 19th May 2022.