



**KRONE Group Modern Slavery Act Statement 2020/2021
(for the financial year ending 31 July 2021)**

This statement is published in accordance with section 54 of the UK Modern Slavery Act 2015. The company's understanding of slavery and servitude, forced or compulsory labour and human trafficking is based on the definitions given in the Act.

This statement is made in respect of the supply chains of KRONE UK Ltd. and KRONE Trailer Ltd. It sets out the steps that the Bernard KRONE Holding SE & Co. KG and the KRONE Group companies in UK, KRONE UK Limited and KRONE Trailer Ltd. have taken during the 2020/2021 financial year to prevent slavery and human trafficking in any of our supply chains and in any part of our own business. The statement has been approved by the Executive Board as well as the relevant UK Board of Directors.

Introduction

Modern slavery is a crime and a violation of fundamental human rights. It takes various forms, such as slavery, servitude, forced and compulsory labour and human trafficking. At KRONE, we are opposed to all forms of modern slavery. With our history of more than 100 years, our heritage anchors us to a moral and ethical code of conduct. Respecting and supporting human rights is an integral part of our responsibility. We are enforcing effective controls to ensure modern slavery is not taking place anywhere in our own business or in our supply chains.

Our business and supply chains

We are a leading European family company in commercial trailers and agricultural machinery, headquartered in Spelle, Germany. With our companies we have a significant presence in the UK.

KRONE UK Ltd. is a sales and service company serving the needs of our agricultural dealers and customers in Great Britain. KRONE Trailer Ltd. is a sales and service company of motor vehicles. The headquarter of both companies is situated in Micklefield near Leeds.

Furthermore Krone UK has a daughter company called Krone Forage solutions (KFS). KFS is a retail company and situated in Enstone. The team down there is selling and servicing Krone equipment in the local region, as well as other franchises.

Our supply chains vary greatly in terms of size, complexity and location, reflecting the diverse nature of our business. As a result, the risk of modern slavery and/or human trafficking in our supply chains varies too.

Our policies and processes



As a leading European family company in commercial trailers and agricultural machinery, we operate a number of international policies to ensure that we are conducting business in an ethical and transparent manner, e.g. the principles of the United Nations Global Compact, the UN Universal Declaration of Human Rights, and the 1998 International Labour Organization Declaration on Fundamental Principles and Rights at Work in accordance with national laws and customs.

Our KRONE Code of Conduct, along with our other ethics-related policies, include principles to ensure that our ethics and human rights standards are upheld. These include respect for others, establishing a culture of integrity, behaving fairly and honestly, and acting in accordance with law and regulations. In addition, we expect our employees to speak up if they are concerned about any inappropriate, illegal or corrupt behaviour in relation to KRONE activities. The Code of Conduct is also published on the KRONE website and on the corporate intranet.

We expect our business partners to comply to the principles set out in our Code of Conduct by accepting the Code of Conduct for suppliers, which include our social and ethical standards and also states that any violation of those principles will result in a re-examination of the business relationship with us taking any appropriate measures that we deem necessary. Relevant provisions from our Code of Conduct for suppliers for the purposes of this statement include:

- # no tolerance of child labour in our supply chain
- # no tolerance of slavery, servitude and forced or compulsory labour and human trafficking in our supply chain
- # suppliers will provide their employees with a workplace free of harsh and inhumane treatment
- # working hours for suppliers' employees will not exceed the maximum set by the applicable local law and ILO standards;
- # compensation shall be paid to employees regularly, in a timely manner and in full according to applicable laws and must comply with applicable national wage laws
- # compensation and benefits should aim at providing an adequate standard of living for employees and their families

We have a zero tolerance policy towards violations of our principles and the laws banning forced labour, slavery and human trafficking. KRONE awards contracts that are aligned with its ethical and commercial requirements. Our contracts include compliance with applicable law clauses, which cover compliance with the UK Modern Slavery Act.

The KRONE Group Companies' contractual agreements permit the termination of suppliers for a single violation. In high risk areas of our business we have additional measures in place.

We review all potential trading partners before we enter into any relationships with them.

We have in place and/or continuing to develop further systems to identify and assess potential risk areas in our supply chains, mitigate the risk of Modern Slavery occurring in our supply chains and monitor potential risk areas. Implementation of a due diligence program is planned during 2022. This should help to further enhance our due diligence process.



Human Rights

We regularly undertake a Human Rights Compliance Assessment to ensure that all areas of their businesses are compliant with their Code of Conduct including Business Ethics and international human rights standards and that all employees are treated in a fair and transparent manner. This includes adherence to the Working time Directive and the Minimum Wage.

During the course of 2022, we will be taking steps to mitigate the risk of slavery and human trafficking by including supplier audits relating to modern slavery issues in our audit programme. This will relate to services provided to our business, where the risk of slavery and human trafficking is deemed to be higher.

Compliance with applicable laws

We require our employees, as well as our suppliers and their personnel, to comply with all laws, regulations, statutes and any other requirements of the UK or of international authorities, with jurisdiction over the KRONE Group. Such obligations are reinforced through our policies and procedures.

Violations

The KRONE Group Companies' disciplinary policies permit the termination of employees found to be involved in any breach of the law banning forced labour, slavery and human trafficking.

Training

Compliance officers incorporate guidance regarding the Modern Slavery Act into regular company training sessions. The training ensures that employees are aware that they are able to raise concerns about how colleagues are being treated, or about practices within our business or supply chains, without fear or reprisals.

During 2022, we will be putting in place online training for all employees, also on how to recognise and report issues of modern slavery.

Trust Line

The KRONE Trust Line is a key grievance mechanism for employees and third parties regarding any infringements against the Human Rights Charter. All employees, suppliers and third party whistleblowers can contact the Trust Line via telephone or the web from anywhere in their respective national language, free of charge and, if desired, anonymously. The Trust Line is operated by the external independent lawyer of trust Dr. Carsten Thiel von Herff and is available as follows:

www.thielvonherff.de

www.report-tvh.de



We will continue to update our policies and procedures as required to ensure they maintain appropriate safeguards against any mistreatment of persons involved in their supply chains or own businesses. During 2022 we will be putting in place a Whistleblower Policy, and rolling this out across the organization.

This statement covers all subsidiaries of the KRONE Group for the financial year ending 31 July 2021.

Signed:

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15 Nov '21

Date

Signed:

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