

Hexatronic Group – Modern Slavery Act Statement

This statement has been published in accordance with the UK Modern Slavery Act 2015. It sets out the steps taken by Hexatronic Group (“Hexatronic”) during the 2021 financial year to prevent modern slavery in its business and supply chain.

Our position

Hexatronic is committed to preventing any form of modern slavery, servitude, and human trafficking, as well as forced or compulsory labour. As a signatory of the UN Global Compact, Hexatronic actively supports human rights and runs its business in line with the [10 principles for responsible enterprise](#). The principles are based on the UN Universal Declaration of Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development, and the UN Convention Against Corruption. We also support and contribute to the UN Sustainable Development Goals – [Agenda 2030](#).

Our business and supply chain

Hexatronic facilitates non-stop connectivity for communities worldwide and offers cutting-edge fibre technology and solutions for any situation. We supply fibre optic products and solutions and provide a unique range of passive infrastructure for telecom companies. The group consists of 50 companies and employs around 1,300 people. The group’s headquarters are located in Gothenburg, Sweden. We develop and manufacture our own products and services, as well as sell and manufacture solutions based on products from leading manufacturers worldwide.

We own our own production chain, which enables us to respond quickly to unique customer requests. Our customers include companies and public authorities within the telecom industry, such as telecom companies, communications and telecom operators, and network owners. Ensuring a sustainable supply chain is vital in our strategy to deliver value to our customers and contribute to sustainable development. We therefore want to work with suppliers who share our values when it comes to sustainability and ethics.

A group-wide [Code of Conduct for Suppliers](#) was adopted in 2018, with requirements within the following areas: Environment, Human Rights (eradication of discrimination, avoiding child labour), Fair Employment Terms (reasonable employment conditions, avoidance of slavery, freedom of association), Health and Safety (work environment, safety), and Anti-corruption.

The section on Fair Employment Conditions states that: “The supplier may not use any form of slavery which entails forced labour, human trafficking, or non-volitional labour of any kind. Employees should be free to leave their workplace at the end of the day and to end their employment after a reasonable period of notice in line with applicable laws or contracts. Employees should not be forced to deposit money or identity documents with their employer.”

160 suppliers, representing just over 80 percent of the total purchased volume of direct materials and transportation, confirm that they run their business in accordance with the Code of Conduct.

Supplier due diligence, risk assessment and monitoring

Hexatronic deems the risk of modern slavery and human trafficking in its own business to be limited. Hexatronic purchases its components and services from suppliers across Europe, Asia, North America, and Oceania. We are aware of the risks in the supply chain and continuously monitor our suppliers and trust in their due diligence. Based on the self-assessment survey conducted in 2020, follow-up questions linked to modern slavery were submitted to a number of selected suppliers in high-risk countries in 2021. The dialogue and supplementary documentation that has been obtained has been assessed as satisfactory.

Launch of Roadmap 2030

In 2021, Roadmap 2030 for the group's sustainability work was launched. The plan is based on the group's six priority sustainability areas, one of which is a "sustainable supply chain". The roadmap is linked to Agenda 2030 and includes short-term (2022 to 2025) and long-term goals (up to 2030), as well as priority activities for each sustainability area. For more information, please see pages 7, 9, and 15 in [Roadmap 2030](#).

Effectiveness in preventing modern slavery

During the year, the purchasing organisation was strengthened centrally. This provides better opportunities for engaging in dialogue with our suppliers, not least regarding sustainability. Updates have also been made to the work process, with supplier audits and the definition of becoming an approved supplier based on sustainability. There have been active efforts to move parts of the supplier base to Europe and increase the number of European suppliers. The advantages of this include risk minimisation and improved opportunities for control in the area of sustainability. No supplier audits were conducted in 2021 due to the pandemic.

During 2022, personnel in specific purchasing positions will undergo specialised training on sustainability in the supply chain, including the area of modern slavery.

We urge our suppliers to report any violations of our Code of Conduct directly to us, or by using the [whistleblower function](#) on our website.

Further information about our efforts to identify and manage risks related to modern slavery is communicated in the [2021 annual report and sustainability report](#) on pages 42 and 61.

A handwritten signature in blue ink, appearing to read "Henrik Larsson Lyon".

Henrik Larsson Lyon
CEO, Hexatronic Group
Adopted May 5, 2022