



Modern Slavery Act Statement 2020-2021

Financial Period – April 1st 2020 to March 31st 2021

Audiotonix is committed to upholding the highest standard with our customers, our employees and the communities in which we live in and serve. A large proportion of our products are used in the entertainment industry bringing enjoyment into people's lives. We therefore wish to confirm we have taken the appropriate steps to ensure our products are produced to the highest standards and ethics.

We are wholly committed to having an effective process and controls in place to monitor that our supply chain is free from any form of Modern Slavery.

COVID-19 PANDEMIC

The effect of the COVID-19 pandemic has changed our business model over the last 12 months with travel being extremely restricted with no face to face meetings with our supply chain partners.

Suppliers' policy in this period is to have no customers visits to their offices or factories in order to protect their workforce. A number of suppliers and manufacturers had to close due to government restrictions or COVID-19 outbreaks. In addition, our marketplace has been heavily affected due to the policy of 'no mass gatherings' - a global instrument to minimise the virus transmission.

Policy

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, all of which have in common the deprivation of a person's liberty by another in order to exploit them for personal or commercial gain. We have a zero-tolerance approach to modern slavery and we are committed to acting ethically and with integrity in all our business dealings and relationships and to implementing and enforcing effective systems and controls to validate modern slavery is not taking place anywhere in our own business or in any of our direct supply chains.

Supply Chains

Audiotonix is committed to having a robust direct supply chain. An essential pillar is that the supplier is operating within all local and international regulations, a key element of which is that the vendor is free from modern slavery and human trafficking. In addition, the Audiotonix Supplier Code of Conduct explicitly sets out what is required, regulatory and ethically, to be an approved Supplier to Audiotonix. The Supplier Code of Conduct was updated and re-issued in 2020 to all suppliers requesting all suppliers to sign the document agreeing to all the terms.

Audiotonix is striving to ensure that our supply chain is compliant with the Modern Slavery Act 2015 and confirm that processes are in place to ensure our obligations are met.

Our Responsibility

In keeping with our commitment to act with integrity in all our business dealings, we aim that there is no slavery or human trafficking in any part of our business and try to undertake that this is also true for our supply chains.

In trying to ensure our supply chains are free from slavery the company policy is to visit, on a regular basis, vendors with whom we have direct and indirect relationships in an effort to validate that:

- No forced or bonded labour is used
- No child labour is used

In addition, we try to ensure that supplier organisations take their Corporate Social Responsibilities (CSR) seriously and that they confirm that:

- Workers' conditions are safe and hygienic
- No excessive hours are worked
- No discrimination is practised
- Regular employment is provided
- There is no harsh treatment of staff

Due Diligence

In designing a new product, the choice of any material is not just reliant on the technology and cost but also on the supply chain and therefore our Purchasing and R&D professionals are engaged during the sourcing process. The components used within the manufacture of our products come from well renowned electronic components manufacturers and are sourced from international electronic component distribution companies. These businesses are compliant with the Modern Slavery Act 2015.

For unique engineered material we ensure we employ proven manufacturers who comply with local and international regulations on employment, including no use of child labour, no bonded labour and no labour in servitude.

Risk Assessment

The programme ensuring that compliance continues within the supply chain is undertaken in a structured manner. The highest risk in our supplier base is in non-European territories and therefore our focus is with these vendors. The normal approach is to have on site visits to these companies on an annual basis, utilising the Audiotonix Supplier Audit Checklist form which directs the Audiotonix Auditor on the observations that need to be undertaken during the visit.

Due to the Coronavirus outbreak from February 2020 no Supplier Audits have taken place, this is to protect our Auditor as well as the Supplier employees. Our expectation is that supplier audits will recommence in May 2021.

Audiotonix also encourages whistleblowing and this forms an essential part of the Audiotonix Supplier Code of Conduct.

Resources

Only experienced Purchasing Professionals are approved to engage with any vendor, while our Audit Teams visiting suppliers to review compliance are drawn from the Audiotonix Operations Team comprising of Purchasing Managers, Quality Managers and Engineers as well as company Directors.

Training

Training is provided to the Purchasing, Sales and Management teams biannually using a specially developed online educational programme. The training provides a framework through the use of

learning outcomes ensuring consistent approach across all Audiotonix companies to recognise slavery in all its forms and how to challenge and report any infringement of employees' rights.

Effectiveness

The Supplier Code of Conduct and the programme of vendor audits ensures that Audiotonix obligations not only meet the Modern Slavery regulations but also that their employees are treated with the respect we set under our own CSR commitment. This strategy has not been fully effective in the last 12 months due to COVID-19 restricting visits to suppliers and manufacturers.

Signed on behalf of Audiotonix Holdings Limited

A handwritten signature in black ink, appearing to read 'Tony Williams', with a long horizontal line extending to the right.

Tony Williams
Group Operations Director – 23rd June 2021