

MODERN SLAVERY & HUMAN TRAFFICKING ACT STATEMENT

INTRODUCTION

This statement was prepared by Trimco Group and its subsidiaries pursuant to section 54 (1) of the Modern Slavery Act 2015. This statement details the steps taken from January 2019 to December 2019 to prevent slavery, servitude and forced or compulsory labour; and human trafficking taking place in any part of our business or our supply chains.

Labelon Group Limited is part of the Trimco group (the “Group”) engaged in the industry of providing labels, tags, accessories and packaging solutions to garment factories and operates in full consideration of the need for ethical business practices, including in respect of human rights and decent working conditions.

The Group’s commitment towards ethical business practices is documented in the Group’s Code of Ethics & International Standard they are BSCI, SEDEX/SMETA, and which was implemented throughout the Companies in 2020.

The entire Group is fully aware of, and committed to, its legal and moral obligations to prevent forced, bonded or compulsory labour and human trafficking. Labelon Group Limited (together with the Group) is committed to improving its practices wherever possible regarding the fight against modern slavery and human trafficking, also all ethical business practices.

SUPPLY CHAIN STRUCTURE, SELECTION AND MONITORING

The supply of goods, services and products to the Group’s business units is managed by the UK teams, with support and assistance from the Group’s purchasing function. The Group’s purchasing function deals with Corporate Social Responsibility in order to assist local teams with selecting business partners.

Although the Groups’ main business partners are located in Europe and US, the Companies source goods, services and/or product such as textiles from China, and Asia, including India and Bangladesh.

Now-a-day, supply chain ethical work is important being carried out to the Group’s panel of business partners. This work should facilitate the implementation of the Group’s ethics values, including in regard to the fight against modern slavery and human trafficking.

INTERNAL POLICIES, PROCEDURE, RISK ASSESSMENT AND CONTRACTUAL CONTROLS

The Group’s committed to conducting our business in a legal, responsible and sustainable manner that is ethically sound and concerned about the welfare of our people, communities, our stakeholders and natural environment.

We believe that the main risks regarding modern slavery relate to the business partners, especially suppliers in higher risk jurisdictions.

A significant part of the Groups’ supply chain is selected through the UK purchasing team, compliance and supply chain department. Concentrating the purchasing of goods, and services in better oversight of the Companies’ supply chains. Furthermore, it ensures that the supplier selection, and purchasing process is carried out by a team who is duly trained and skilled in relation to ethical and responsible purchasing.

GROUP POLICIES IN RELATION TO SLAVERY AND HUMAN TRAFFICKING

The Group's maintain a Zero-Tolerance policy towards any breach of human rights, including modern slavery and human trafficking.

The Group's are committed to operate in accordance with the law and to promote the highest standards of integrity and share their values with employees and business partners, its continuous practice maintaining high awareness in the Group and also other locations.

Furthermore, Group's keep close relationship with supply chain, maintaining better communication with the business partners in different locations, look after to the local culture, what can keep Group to enhance the process providing a transparency and fairness working environment to employees, towards to supply chain, growth together with the Group, contribution to the communities we are always care about. These are the core value and vision of the Group.

The Group's has working on Responsible and Ethical Purchasing, which is covering Cooperate Social Responsibility, Sustainability, on Trimco Group website (<https://www.trimco-group.com>) for the Companies' expectations of business partners (such as suppliers) in relation to ethics, including in respect of human rights.

Our Group It requires business partners to undertake to comply with its terms and therefore limit their environmental impacts, work for sustainable development and act ethically.

Specifically, the policies of the Group requires the Companies' business partners to comply and maintaining:

- Recognize and respect the protection of internationally proclaimed human rights.
- Applies International recognized ethical standard as company policies to supply chain, such as BSCI, SEDEX/SMETA, ethical supply chain management principles on human rights and labour.
- Strictly prohibit the use of child labour or any form of slavery, forced labour and human trafficking.
- Provide a safe working environment for employees.
- Zero-Tolerance to any kind of corruption including extortion, bribery, and influence peddling.
- Ensure labour conditions are fair, employees are paid a regular salary in accordance with their employment contracts and the laws, and all legal requirements are complied with.
- Prevent any form of discrimination based upon any distinction such as race, gender, age, ethnicity, political opinion, origin etc.
- Provide regular training, communication sessions to employees maintaining high level of transparency, ethical awareness for the Group, and employees working with us.
- Continuous to implement the programs to lead the Group growth in sustainable ways.

In addition, the Companies benefit from a whistleblowing line supported by a procedure enabling employees to report and/or raise concerns internally to the compliance team and to disclose information which the individuals believe highlights or could indicate illegality, unethical behaviour or other serious wrongdoing, including any instances or suspicions of modern slavery.

DUE DILIGENCE, MANAGEMENT OF MODERN SLAVERY RISK

The Group's support the implementation of global policy with our business partners, mainly suppliers, through audits that may be carried out through the internal compliance teams, or with the help of independent international recognized audit company. These audits are intended to check that business partners are properly applying the Group's ethics principles.

The Companies' internal processes are complemented by an assurance provider's independent audits which report levels of compliance among the Companies' business partners and alert the Companies to any areas that require improvement.

In order to ensure the efficiency of audit operations, the Companies are implementing the audit methodology.

This audit methodology mainly comprises the following elements:

- Comply Group's ethical standard and policy.
- An evaluation of the business partners with respect to CSR such as BSCI, SEDEX/SMETA, or SA8000, OEKO-TEX, BLUESIGN, FSC, GRS, or through compliance with international auditing standards.

The process also enables the Group to optimize our business partners audit process by defining and prioritizing the audit operations.

If, on completion of an audit, a business partner is found not to be in compliance with the Group's ethical requirements, a business partner may be given a period to develop and implement necessary corrective actions; in some serious cases, the Group may terminate the business relationship with such a business partner, remove from our supply chain immediately.

MONITORING EFFECTIVENESS

The Group's continuous conducting internal and external audit at business partners premises regularly, ensuring no serious compliance breach.

No cases relating to modern slavery were reported or raised through audits in 2020 from internal compliance team or external auditors.

PROVIDE NECESSARY TRAINING AND COMMUNICATION WITHIN THE GROUP

It is important that the Group's staff are aware of and understand the risks of slavery and human trafficking. Staff must be able to identify signs of slavery and human trafficking and be aware of what action to take if such activities are suspected. The Group's will, therefore, provide necessary training opportunities at appropriate levels within the UK.

FURTHER STEPS AND MONITORING

The Groups are aware of the pernicious nature of modern slavery and therefore understand that the steps the Groups take regarding risk associated with modern slavery should not be static. The Groups, will continue to monitor operational practices, review the approaches and continue to build on this in the year ahead.

THE COMPANY HAS IDENTIFIED THE FOLLOWING AS KEY ACTIONS FOR 2021:

- Enhancing the staff awareness by provide necessary training within organization.
- Enhancing the compliance team approaches and develop/search the international recognized tools, continuous monitoring supply chain effectively.
- Close communication with business partners, and enhance the supply chain risk management process.
- Continuing review of strategic business partners, and supply selection program.

This statement was approved by Trimco Group, and its Board for and on behalf of itself and Group.



Amy Chuk Kwan, WAN
Group Chief Executive Officer