



HYPNOS

THE MOST COMFORTABLE BEDS IN THE WORLD

HYPNOS GROUP MODERN SLAVERY STATEMENT

INTRODUCTION

It is an unfortunate truth that forms of slavery, which degrade humanity and oppress millions still exist in the world. We cannot eradicate this vile practice ourselves but we recognise our responsibility to ensure, as far as we can, that this practice does not take place in our organisation or in our supply chain. This statement sets out the steps that we have taken to eliminate, as far as possible, the risk of modern slavery and human trafficking taking place.

OUR GROUP STRUCTURE

Keen and Toms Holdings Limited is the parent company of The Hypnos Group, which has employees in the UK but also has partner organisations manufacturing Hypnos branded products under licence worldwide; in countries including the USA, Canada, Asia, the Middle East and Africa.

OUR BUSINESS

The Hypnos Group makes and distributes mattresses and divans to the Retail and Hospitality sectors around the world

OUR SUPPLY CHAINS

Our supply chains include suppliers of fabrics, fillings timber and components. These companies tend to be based in the UK, whether as a stand-alone business or the UK subsidiary of a, mainly, US or European based business. There are a few of our suppliers who are based outside the UK in places which include Turkey and Estonia. Some of these suppliers are global companies in their own right.

OUR POLICIES ON MODERN SLAVERY AND HUMAN TRAFFICKING

Our opposition to modern slavery and human trafficking is confirmed in our Core Values and reflects our commitment to acting ethically and with integrity in all our business relationships and to implementing and enforcing effective systems and controls to eliminate, as far as possible, the risk of modern slavery in our business or supply chains.

CUSTOMER OBSESSED *Try our best to meet the highest customer expectations in us as a business, in our products and with a sense of urgency that makes the customer feel central to our activities*

SUSTAINABLE INNOVATION *Be masters of our skills and processes, create better ways, find sustainable solutions, innovate and push the boundaries*

RESPONSIBILITY *Provide safe, reliable and leading environmentally friendly operations for our people, their families, our customers and the communities in which we operate*

INTEGRITY *Adopt ethical business dealings. Do what is right, say what you mean, do what you say, earn trust and treat others with respect.*

Hypnos Limited

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DUE DILIGENCE PROCESSES FOR MODERN SLAVERY AND HUMAN TRAFFICKING

We have been working with a number of our customers as part of an initiative called “Future Factories” to trial an auditing methodology designed to identify, amongst other things, “slavery” practices. As a result of the initiative, we have worked with our supply chain partners to change practices in their businesses where there may be risk of modern slavery.

Through our commitment to sustainability, we are engaging with our suppliers on a regular basis to ensure they are making efforts to improve and uphold the highest environmental credentials for their products and services. We are also taking this opportunity to engage with them in reducing the risk of modern slavery in their business and their supply chain.

We have also implemented systems to:

- Identify and assess potential risk areas in our supply chains – no new supplier will be appointed without them going through our risk assessment.
- Mitigate the risk of modern slavery and human trafficking occurring in our supply chains, which we manage through our new supplier process and our contracts which will, going forward, give us the ability to monitor our supply chains and potential risk areas.
- Monitor potential risk areas in our supply chains.

SUPPLIER ADHERENCE TO OUR VALUES AND ETHICS

We do not tolerate modern slavery and human trafficking. We have put in place a new supplier process which will both:

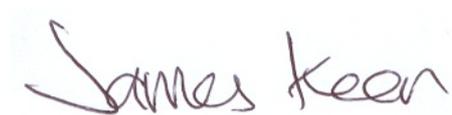
- (i) assess the risk of modern slavery and human trafficking in any new supplier and its own supply chains before we engage with that supplier and
- (ii) give us the ability to monitor and audit suppliers once they have been engaged. Our audit, legal and business operations teams are involved in ensuring this process works effectively and will monitor it regularly, adapting as necessary to the changing needs of our business.

TRAINING

To ensure a high level of understanding of the risks of modern slavery and human trafficking in our business and in our supply chains, we will be asking our suppliers to provide training to their staff and suppliers.

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes our Group's modern slavery and human trafficking statement for the financial year ending June 30th 2021 as approved by the Board on 13th July 2021.

Signed on the Board's behalf by:

A handwritten signature in blue ink that reads "James Keen". The signature is written in a cursive style and is positioned above a faint, light blue rectangular stamp.

James Keen

Keen and Toms Holdings Limited for and on behalf of The Hypnos Group.