



Modern Slavery Statement

Financial Year Ending
30 November 2023



Modern Slavery Statement

The importance of Modern Slavery responsibilities

K3 Business Technology Group PLC (and its group companies) (“K3”, the “Group” or “we”) recognises the role that all large corporations must play in the battle against human trafficking and slavery. We are committed to the protection of those vulnerable and take our statutory (and ethical) obligations seriously in this regard through our day to day operations.

About the K3 Group – our organisational structure

K3 Business Technology Group plc (K3 PLC) is a UK public limited company, whose shares are admitted to AIM. K3 PLC largely acts as a holding company for its trading subsidiaries, the most significant of which are based in the UK and Netherlands.

This Statement addresses the actions of the K3 Group as a whole.

About the K3 Group – our business

K3 is a business technology group providing our retail, manufacturing and distribution customers with ERP software solutions and related services. We have a principal focus on fashion and apparel brands. We operate from a small number of locations across Europe and, as a Group, have a small presence in the US and Singapore.

Our suite of K3 Products offer end-to-end planning and finance capabilities particularly for fashion, design and apparel brands. We present the business of the Group in two clear divisions: K3 Products and Third Party Solutions.

K3 Products: With both direct and indirect routes to market, our products include:

- **K3|fashion:** K3|fashion is our concept-to-consumer solution, embedded in Microsoft Dynamics 365 for Finance and Operations, and further enhanced to meet the unique and exacting needs of fashion and apparel enterprises. It is a tailored environment in which businesses can gain insight and control over all processes and channels to market.
- **K3|pebblestone:** has similar functionalities to K3|fashion, but is built on Microsoft Dynamics Business Central and is more tuned towards smaller size brands and retailers. It is available in both on-premises and cloud SaaS versions.

Third Party Solutions: In addition, K3’s portfolio includes leading industry and vertical ERP solutions including:

- **Global Accounts:** The backbone of our activity is the development, integration and support of an IKEA solution for franchisees that underpins some IKEA franchisee stores and back-office solutions
- **NexSys:** providing Syspro based Finance and Operations software, services and maintenance and support to select UK manufacturing verticals

Our supply chains

We have assessed our key supplier relationships in the context of modern slavery, and believe they fall into the following key categories:

- Third party software and associated service suppliers, where we resell or introduce those third party products. Some of our key suppliers in this category are Microsoft and Syspro;
- Third party suppliers of IT consultants/professionals for the development of our own products and for our services offering; and
- Suppliers of hardware, hosting infrastructure and other IT components for the provision of our hosting, hardware support and SaaS offerings.

Our high level risk and new activities

We have assessed the territories within which we carry out our business by reference to the Walk Free Foundation Global Slavery Index and identified that we generally do not operate from areas seen at high risk of forced labour. In addition, the sector within which we operate is relatively low risk in respect of human trafficking and slavery in our own workforce.

We have also assessed our key supplier relationships, many of which are businesses based in the UK or Europe, and which themselves (including Microsoft) appear to have robust policies and processes to combat modern slavery.

Notwithstanding this, we are aware that we cannot be complacent on combatting modern slavery, and the global nature of our business and that of some of our suppliers may present some inherent risks.

Our policies and effectiveness relating to modern slavery and human trafficking

We have policies in place that aim to combat risk of modern slavery or human trafficking within our own workforce:

- We have in place recruitment policies which include right to work checks and adhere to minimum wage obligations in each territory in which we have a presence;
- We also carry out additional background checks on all new UK employees commencing work with the Group;
- We hire any apprentices through reputable training providers, and ensure all employees (including apprentices and interns) are paid at least minimum wage;
- We train and brief our applicable HR personnel on the applicable policies and procedures relating to recruitment and right to work checks.

We also have in place a formal written whistleblowing policy, applicable to all Group employees and workers, which facilitates the transparent reporting of non-compliance including with modern slavery legislation.

In relation to the effectiveness of these processes and policies, no issues of non-compliance have arisen during the last financial year, whether reported under whistleblowing policies or otherwise.

This statement is made pursuant to section 54 of the Modern Slavery Act 2015

This statement has been signed by Eric Dodd, CFO and Director following formal approval by the Board of Directors on 21st February 2024

For and on behalf of K3 Business Technology Group plc