

## Modern Slavery Act 2015 - Compliance Statement

Elementis plc (“Elementis”) agrees with and supports the statements in the Universal Declaration of Human Rights, as well as the International Labour Organization’s Declaration on Fundamental Principles and Rights at Work. Elementis also supports the principles of the UN Global Compact and supports the wider fundamental human rights of all its employees and all those who may be affected by our business activities.

Our policy is therefore to support international labour laws that seek to prohibit slavery and human trafficking, which can take many forms, such as forced or child labour. Elementis will take proactive steps to communicate the importance of complying with international labour laws and standards to ensure the absence of forced labour and child labour throughout our supply chain.

Elementis operates three main businesses: Specialty Products, Surfactants and Chromium.

The businesses’ commercial, operations and supply chain functions all report directly into the CEO and his executive leadership team.

The Specialty Products and Surfactants procurement and supply chain function reports into the role of Vice President, Supply Chain and Manufacturing who is a member of the executive leadership team and reports directly to the CEO.

The Chromium strategic procurement and supply chain function is undertaken by the Vice President, Finance who reports to the CFO and the Chromium Business President, both of whom are members of the executive leadership team.

Elementis operates in and sources goods and services from many countries globally. Consequently Elementis has a large number of suppliers, some of whom may themselves use suppliers of their own. Elementis endeavours to uphold international law and standards that prohibit slavery and human trafficking throughout our supply chain and has taken the steps described below in pursuit of these goals.

Elementis adopted a global Purchasing Code of Practice in 2012 in response to the US California Transparency in Supply Chains Act of 2010 which was updated in 2016 to reflect the requirements of the UK Modern Slavery Act 2015 (“MSA”). The MSA seeks to ensure greater supply chain transparency by disclosing details of our policies on and actions taken (including employee training, risk assessments and supplier audits) to ensure the absence of slavery and human trafficking in our business and supply chain.

Elementis due diligence processes in relation to slavery and human trafficking include the following:

- **Risk-based Supplier Assessments** of key, major or large suppliers and potential suppliers to ensure conformity and consistency with our policies, including compliance with international labour laws and the absence of slavery and human trafficking. Our practice is not to purchase from suppliers whose supply chain practices are not compliant or consistent with international labour laws and standards that seek to prohibit slavery and human trafficking.
- **Supplier Audits** conducted by Elementis employees and/or 3rd parties of the suppliers' practices and management systems to ensure conformity and consistency with our policies. Our practices include supplier meetings, inspection/audit by 3<sup>rd</sup> party specialists (eg our internal audit provider) and completion of survey questionnaires, and are generally to require and rely on compliance self-certification of our policies or international labour laws and standards that seek to prohibit slavery and human trafficking. KPIs that are monitored include for example the percentage of suppliers that have completed self-certificated compliance statements or been audited.
- **Supplier Agreements** whereby Elementis purchasing agreements or purchase order terms and conditions provided to all our direct suppliers will require compliance with international standards and applicable laws and regulations and consistent with Elementis policy.
- **Internal Training** programmes have been developed to increase employee awareness and compliance, particularly for all supply chain related employees, regarding human rights expectations and labour laws.

Elementis' Purchasing Code, policy and procedures strive to ensure the absence of slavery and human trafficking throughout our supply chain. We communicate our policy to our business partners and ensure that our employees at Group and site levels are properly briefed and trained as appropriate to help enforce our policy and practices which are supplemented by supplier audits and visits.

This Statement was approved by the Board of Directors on 24 April 2017 and signed on its behalf by Paul Waterman, CEO.



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**Paul Waterman, CEO**