

ELEMENTIS PLC¹**MODERN SLAVERY ACT STATEMENT**

Year ending 31 December 2024

INTRODUCTION

This statement demonstrates Elementis plc's unwavering commitment to combating modern slavery and human trafficking across our operations and supply chain. In compliance with Section 54 of the UK Modern Slavery Act 2015 and the California Transparency in Supply Chains Act of 2012, this report highlights the significant actions and measurable progress we made in 2024 to address these critical issues. By integrating advanced screening systems, enhancing supplier partnerships, and embedding ethical practices into our business operations, we continue to set a high standard for responsible supply chain management.

OUR COMMITMENT TO HUMAN RIGHTS

Elementis is committed to upholding high ethical standards and respecting human rights in all aspects of our business. We align with the Universal Declaration of Human Rights, the International Labour Organization's (ILO) Core Conventions, and the UN Guiding Principles on Business and Human Rights. We are a signatory of the UN Global Compact, and fully support the ten principles (listed [here](#)) which cover fundamental responsibilities in the areas of Human Rights, Labour, Environment and Anti-Corruption. Our website contains information on our approach to [Responsible Business](#) and [Ethics & Compliance](#).

OUR ORGANISATION

We are a global specialty chemicals company that supplies performance-driven additives which help create innovative formulations for consumer and industrial applications. We are engaged in mining raw materials, innovation, manufacturing and marketing products. Our business segments in 2024 were Performance Specialties (comprising our Coatings, Energy, and Talc businesses) and Personal Care. Our key sites are in Brazil, China, Finland, Germany, the Netherlands, Taiwan, the UK, US and more recently Portugal. Elementis plc is the parent company of the Elementis group of companies (the "Group"). Further information regarding our business model can be found on our website www.elementis.com and in our Annual Report available [here](#).

As at 31 December 2024, the Group employed around 1200 people. In 2024, Group revenue was £738.3m. Elementis plc is listed on the London Stock Exchange and is a constituent of the FTSE 250 and FTSE4Good indices.

¹ Elementis plc and Elementis UK Limited fall within the scope of section 54 of the Modern Slavery Act 2015 and the Modern Slavery Act 2015 (Transparency in Supply Chains) Regulations 2015 and the California Transparency in Supply Chains Act of 2012.

We remain committed to preventing all aspects of modern slavery, and recognise that we have a responsibility to be alert to the risks, however small, in our business and in the wider supply chain. We are aware that manufacturing is one of the five key risk sectors accounting for nearly one-fifth of all forced labour exploitation of adults² and that mining is also a smaller, but significant, risk area. In terms of supply chain, we deal with a large number of suppliers. Of our ten largest suppliers, which account for a significant portion of total spend, only three of these are outside the US and Western Europe.

We comply with all applicable local labour laws and respect rights such as freedom of association and collective bargaining. We provide fair conditions for all our employees including terms and conditions of employment, market-related pay and benefits, working hours and holiday entitlement. We verify that the individual has the correct right to work documentation. Temporary workers are employed via staffing agencies, which are required to comply with all regulations and laws applicable to our agreements with them. In the UK, our accreditation as Living Wage Employer was renewed by the Living Wage Foundation in May 2024 meaning that we continue to meet the standards set by Citizens UK and the Living Wage Foundation.

HIGHLIGHTS OF 2024 INITIATIVES

1. Ethics & Compliance Week:

In 2024, we held our second Ethics & Compliance Week, a company-wide initiative to reinforce our commitment to human rights and ethical business practices. This included a live, interactive global training session focused on modern slavery, enriched with real-world case studies and actionable insights. Over 80% of employees participated³, demonstrating our collective dedication to identifying and mitigating risks within our operations and supply chain.

Additionally, a new Manager Training Programme was launched, equipping leaders with practical tools to address concerns raised through Speak Up channels, further fostering a culture of transparency and accountability.

We have also enhanced our onboarding processes for suppliers and employees in high-risk regions to emphasize compliance with our human rights commitments.

2. Supplier ESG Transparency:

- In partnership with EcoVadis, we began integrating advanced ESG tools to assess supplier sustainability risks. The system is currently being populated with supplier data and will allow for a more robust and transparent evaluation process.

3. Updated Policies and Codes:

- Our updated Supplier Code of Conduct / Business Partner code includes specific human rights provisions, requiring suppliers to implement internal procedures to identify, mitigate, and remediate risks related to modern slavery.

² See [Global Estimates of Modern Slavery 2022](#) by ILO, Walk Free and IMO

³ Considering desk-based employees.

OUR CODE OF CONDUCT

Our Code of Conduct, entitled “Integrity is our Specialty”, sets out our approach to acting fairly and ethically in our business. A copy of the Code can be accessed [here](#). Our Code specifically addresses human rights and makes it clear that we prohibit all forms of slavery, and are committed to keeping such practices out of our global supply chain. Our Code clearly states that the use of forced or child labour is against the law and against our Values. Preventing modern slavery and protecting human rights is fundamental to how we operate. Our Code provides guidance on making ethical decisions and encourages people to speak up about concerns, with a variety of channels available to do so, including via an independently run hotline, available 24/7 in multiple languages. Elementis has a zero tolerance approach to retaliation against anyone who raises a concern in good faith.



ENHANCED THIRD PARTY SCREENING SYSTEM IMPLEMENTED AND POLICY ON CUSTOMER AND SUPPLIER SCREENING

To strengthen our ability to identify and mitigate risks related to human rights and modern slavery, we rolled out an advanced **Third-Party Integrity Screening System** in 2023. This cutting-edge tool now operates seamlessly across all business segments, enabling comprehensive risk assessments of third parties based on their geographical location, business practices, and historical compliance data.

In 2024 we have consolidated the use of the new system and implemented it across all business areas.

Our Policy on Customer and Supplier Risk screening was developed to support the launch of our new screening system. It explains the importance of screening in managing legal and ethical risks, including human rights risks such as forced labour.

1. Key Achievements in 2024:

- a) **Screening Coverage:** 276⁴ new suppliers were onboarded.
- b) **Identified Risks:** We onboarded six high-risk third parties (two from China and the remainder from Belgium, Kazakhstan, Nigeria, and Turkey). The primary risks identified were regulatory compliance, geopolitical instability, financial risks, and jurisdiction-specific concerns.
- c) **Mitigation Approaches:** To mitigate these risks, we implemented several key strategies:
 - World-Check screening and adverse media monitoring
 - Sanctions assurance letters and enhanced contractual safeguards
 - Tailored compliance guidance for managing supplier and distributor risks.

Additionally, in 2024, we developed the *Virtual Onboarding Team User Guide*, which outlines stricter approvals with extra due diligence and trade sanctions checks, ongoing monitoring with frequent reviews and risk-specific mitigation, and provides clear real-world examples of compliance and escalation steps for business sponsors.

⁴ focus on suppliers spending over USD 25,000 annually.

- d) **Training Impact:** In 2024, broader training initiatives were implemented, including the "Preventing Bribery and Other Financial Crimes" programme, which trained 630 employees globally. This training emphasised the importance of risk screening within the broader ethical compliance framework.

This initiative has significantly improved transparency across our supply chain, enabling us to proactively address potential risks before they escalate into potential compliance violations.

BUSINESS PARTNER CODE OF CONDUCT and PROCUREMENT POLICY

We launched our first Business Partner Code of Conduct in 2023, setting out the expectations we have of our suppliers and other third parties with which we work. This is now also incorporated by reference in our standard terms and conditions. The Business Partner Code is available on our website [here](#) in English and Chinese languages. This has been implemented successfully

throughout 2024 in combination with our procurement policy which includes a commitment to ethical conduct in procurement and cross-references the Business Partner Code of Conduct. It provides that supplier selection for direct spend will include evaluation of the supplier's alignment with our Values. Furthermore, we require suppliers to comply with applicable local and international laws, regulations, and industry standards

TRAINING

In July 2024, we launched a comprehensive e-learning module on modern slavery. Additionally, our Ethics & Compliance Week featured:

- **Keynote Speaker:** A former FBI investigator delivered insights on ethical decision-making and identifying risks of forced labour.
- **Global Town Hall:** Senior leadership emphasized the importance of ethical behaviour and shared the results of our recent Speak Up Survey.
- Targeted training for managers in high-risk regions is planned for 2025.

RESPONSIBLE BUSINESS

We have an ongoing Responsible Business project to strengthen our risk assessment and risk management in our supply chain. Building on our new Business Partner Code of Conduct and enhanced supplier screening system, we are committed to improving supply chain transparency, improving how we assess and manage sustainability risks in the supply chain, and partnering with suppliers who share our commitments.

CONSIDERATION OF UFLPA RISKS

In October 2023, the Ethics & Compliance Council reviewed statistics relating to enforcement of the US Uyghur Forced Labor Prevention Act and considered the risks in relation to our supply chain. We are undertaking ongoing work in relation to the risks of forced Uyghur labour in supply chains particularly for products or materials entering the US from China.

OTHER SUPPLIER CHECKS AND VISITS

We continue to perform thorough paper and online checks on our high-risk area and related vendors, with a particular focus on Organic Tin and Silicon metal suppliers. We have assessed 12 critical vendors. Our checks included verifying the origin of their raw materials to ensure they did not come from high-risk areas. During these assessments, we found no indications of child or forced labour. Additionally, we reviewed written information and documentation on each supplier's policies regarding human rights and the non-use of child labour to ensure they align with our standards.

CONFLICT MINERALS

Using the conflict minerals reporting template from the Responsible Minerals Initiative, we confirmed there was no conflict mineral risk associated with the small quantity of tin-containing chemicals we purchase in the UK and China.

NO CONCERNS RAISED ON MODERN SLAVERY IN 2024

No reports were received via our IntegrityCounts hotline or other speak up channels regarding modern slavery or human rights concerns.

EXTERNAL ASSESSMENTS VALID IN 2024

EcoVadis

In 2024, we achieved an EcoVadis Gold rating for the fourth year in a row. Our improved score reflects our determination to continually minimise our environmental impact, protect human and labour rights, keep each other safe, maintain a responsible supply chain and conduct our business with the highest ethical standards. Our EcoVadis certificate can be viewed [here](#).



FTSE4Good

We remain part of the FTSE4Good, a leading global responsible investment index. We are recognised as having met the corporate responsibility criteria for inclusion in the membership of the index, which is reviewed on an annual basis, and have been a member since 2009.

Roundtable on Sustainable Palm Oil (RSPO)

We support the use of certified sustainable palm oil and derivatives. Our Livingston, UK site purchases palm oil derivatives for use in certain products. The site is third-party certified to the RSPO Mass Balance Supply Chain Model.

LOOKING AHEAD

In 2025, we aim to expand the reach and functionality of our screening system by integrating AI-driven analytics to further enhance risk prediction capabilities. Additionally, we will:

- Explore opportunities to further engage with suppliers in high-risk regions to improve compliance and align with our ethical standards.
- Evaluate ways to increase supply chain transparency and refine our approach to managing modern slavery risks.
- Consider new tools and partnerships that can enhance our ability to proactively address emerging human rights concerns.

This statement was approved by the Board of Directors on 26th February 2025 and signed by our Chief Executive Officer, Paul Waterman.

Paul Waterman CEO

26th February 2025