

Elementis Plc
Modern Slavery Act transparency statement
for financial year 2019 ('Modern Slavery')

Introduction

This statement is made in accordance with our obligations under section 54 of the UK Modern Slavery Act 2015 and sets out the steps we have taken, during the 52 weeks ended 31 December 2019, to prevent modern slavery and human trafficking in our business and supply chain.¹

Our business and supply chain overview

Elementis is a global specialty chemicals company that offers performance-driven additives that help create innovative formulations for consumer and industrial markets, including Personal Care, Coatings, Talc, Chromium and Energy. Finding opportunities to enhance our customers' performance is at the heart of what we do and has been for more than 175 years. We own unique raw materials, including the only high-grade hectorite mine in the world, and a leading source of high-purity talc. With our advanced technical solutions, we transform those materials to become innovative, performance-enhancing products for our customers.

The Company has a premium listing on the London Stock Exchange and is a member of the FTSE 250 and FTSE4Good indices. Group revenue in 2019 was \$874 million (total operations both continuing and discontinued).

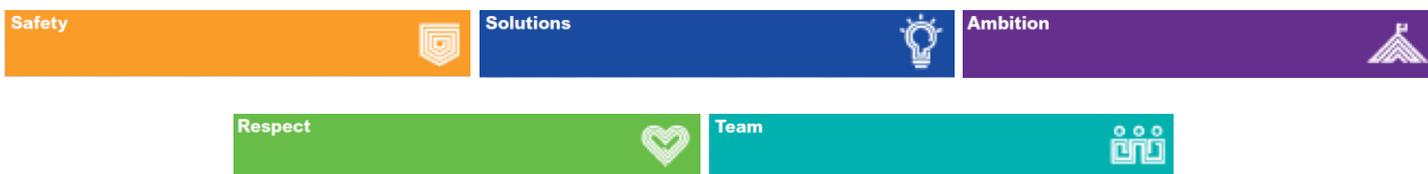
We employ over 1,300 people Over 4,900 suppliers Customers in over 100 countries

Our suppliers range in size from small and medium-sized enterprises to large multinationals, each of which has its own supply chain. We strive for the highest ethical standards in our business dealings, holding our suppliers to the same criteria.

Please see www.elementis.com for further details on our values, strategy, products and operations.

Our values

Elementis has five values which we expect all our people to emulate and against which we align our policies and procedures.



Our policies

The approach guiding our policies, in relation to modern slavery and ethical behaviour, stem from:

- The statements in the Universal Declaration of Human Rights
- The International Labor Organization's Declaration on Fundamental Principles and Rights at Work
- The principles of the UN Global Compact

¹ Elementis plc and Elementis UK Limited fall within the scope of section 54(2) of the Modern Slavery Act 2015 and the Modern Slavery Act 2015 (Transparency in Supply Chains) Regulations 2015.

Governance

We recognize that having the right governance framework to address human rights and ethical behaviours is fundamental to managing the risk of modern slavery in our business and supply chains.

The Elementis Compliance Team (ECT), which was established by the Elementis Risk Review Group in May 2016, meets on a quarterly basis and considers the compliance training needs of Elementis employees globally.

The ECT considers and makes recommendations for possible improvements in identifying and mitigating compliance risks for the Company. A Data Protection Steering Committee was established in 2018 to mitigate risks arising in connection with the EU General Data Protection Regulation and related laws in other jurisdictions. The Steering Committee is also coordinating its activities with the ECT.

Our ECT oversees the Company's compliance and ethics programme which includes training, with specific reference to training modules based on the prevention of modern slavery. The ECT comprises a cross functional leadership team represented by, Legal and Compliance, Corporate Governance, Risk, Product Stewardship, Health, Safety and Environmental, Human Resources, Data Protection, IT, Purchasing, Tax and Finance. The ECT is led by the Director of Legal and Compliance and reports to the General Counsel and Chief Compliance Officer.

Our key policies relating to modern slavery include:

Code of Conduct ('Code')

Our Code sets out the core values that is expected of everyone who works at Elementis and includes our position on Modern Slavery in the Code. The Code aims to create an environment where employees respect and trust each other and where there is protection from discrimination, harassment or unsafe practices.

Speak up

The Code provides a number of mechanisms to report violations of the Code, including those relating to Modern Slavery. One of these mechanisms is 'Alertline®' a 24-hour anonymous multi-lingual phone reporting service. We are committed to protecting employees when disclosing malpractice and all concerns made in good faith are treated appropriately.

Purchasing Code of Practice ('Purchasing Code')

Our global Purchasing Code of practice reflects the requirements of the US California Transparency in Supply Chains Act of 2010 and the UK Modern Slavery Act 2015 which our contractors, suppliers, agents and distributors are required to adhere to.

Our due diligence processes

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

Suppliers

Risk-based Supplier Assessments and Audits - we assess and audit our key, major and large suppliers and potential suppliers to ensure conformity and consistency with our policies, including compliance with international labor laws and the absence of slavery and human trafficking. On a three yearly basis we send survey questionnaires, to our suppliers requiring them to self-certify against our policies on international labor laws and standards that seek to prohibit slavery and human trafficking. This survey was performed in 2019 and our next questionnaire is scheduled for 2022.

Supplier Agreements - Our purchase order terms and conditions provided to all our suppliers, require compliance with international labor laws that seek to prohibit slavery and human trafficking.

Employees

Employees - we employ over 1,300 individuals in line with local labour and working rights. We provide fair working conditions for all our employees including terms and conditions of employment, market related pay and benefits, working hours and holiday entitlements.

We do not employ anyone unless the individual has provided the correct right to work documentation which is verified as part of the 'new hire' process.

Temporary workers - we employ temporary workers through staffing agencies. Our service level agreements with these agencies require them to comply with all regulations and laws applicable to the terms of the agreement. Forced or compulsory labour is not tolerated within our business.

UN Global Compact

As a current signatory of the UN Global Compact, we fully support the ten Principles relating to human Rights, labor, environment and anti-corruption. In 2019, we published our first Communication on Progress (COP) which is available on the link below and describes our actions to improve our integration of the Global Compact and its principles into our Company Values, business strategy, and daily operations. <https://www.unglobalcompact.org/participation/report/cop/create-and-submit/active/431864>

EcoVadis CSR Rating

EcoVadis provides a Corporate Social Responsibility (CSR) ratings service for companies. The rating covers a broad range of non-financial management systems including environmental, labor & human rights, ethics and sustainable procurement impacts. Each company is assessed on the material issues as they pertain to their company's size, location and industry.

These evidence-based assessments are refined into easy to read scorecards and medals (bronze, silver, gold), when applicable. Additionally, the scorecards provide guidance on strengths and improvement areas, which the assessed companies may use to focus their sustainability efforts and develop corrective action plans to improve their CSR performance.

We partner with EcoVadis to strive to achieve global best practice in supply chain sustainability and during the year were awarded a silver medal, putting Elementis in the top 5% of silver rating in the manufacturing sector.

Our training and awareness

During the financial year, Elementis strengthened its modern slavery awareness by continuing online training regarding eliminating forced labour, slavery and human trafficking across our workforce.

Our commitment

We remain committed to preventing all aspects of modern slavery and have a responsibility to be alert to the risks, however small, in our business and in the wider supply chain. We aim to demonstrate that this is the case by undertaking the steps outlined in this transparency statement, working with our supply chain partners and by ongoing risk assessments and due diligence processes.

This statement was approved by the Board of Directors on 26 February 2020 and signed by Paul Waterman.

Paul Waterman
CEO
26 February 2020