

Elementis Plc
Modern Slavery Act transparency statement
for the year ended 31 December 2020 ('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 2020, to prevent modern slavery and human trafficking in our business and supply chain.¹

OUR BUSINESS

Elementis is a global specialty chemicals company that offers performance-driven additives that help create innovative formulations for consumer and industrial markets in five core business segments including Coatings, Personal Care, Talc, Chromium and Energy.

For more than 175 years, finding opportunities to enhance our customers' performance is at the heart of what we do. Combining our access to unique natural resources with our market leading innovation expertise, we create performance driven additives that can be found in many products used in everyday life. We own the only high-grade hectorite mine in the world located in the US and talc mines that are one of only two known deposits of scale in Europe. With our advanced technical solutions, we transform those materials to become innovative products that deliver sustainability benefits and better performance for our customers. Further information regarding our business model and values can be found in our Annual Report which can be found on our website www.elementis.com.

Elementis plc is the parent company of the Elementis group of companies (the "Group"). As at 31 December 2020, the Group employed c.1,300 people. We have manufacturing sites located in Asia, Europe, Latin America and North America.

In 2020, the Group revenue was \$751m (total operations both continuing and discontinued). The Company has a premium listing on the London Stock Exchange and is a member of the FTSE 250 and FTSE4Good indices.

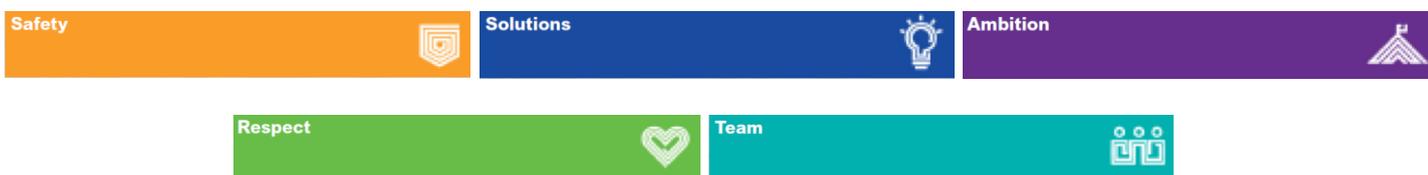
OUR SUPPLY CHAIN

We have over 4,900 suppliers who 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 with our customers in over 100 countries, holding our suppliers to the same criteria.

Further details on our values, strategy, products and operations can be found on the Company's website at elementis.com.

OUR VALUES

Elementis has five values which underpin the behaviours expected of our people and which are aligned to our policies and procedures.



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.

OUR POLICIES

Our approach to human rights issues are guided by international conventions and standards, including the UN Universal Declaration of Human Rights and the UN Guiding Principles on Business and Human Rights as well as the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work, the latter being freedom of association and the effective recognition of the right to collective bargaining, the elimination of forced or compulsory labour, the abolition of child labour and the elimination of discrimination in respect of employment and occupation.

We prohibit the use of child and forced labour and are committed to the principles of freedom of association, equality of treatment and non-discrimination. 9.5% of our employees are union members and 20% are subject to collective bargaining agreements. The total voluntary attrition rate in 2020 was 7.9%.

There were no human rights grievances made against the Company during the year.

Governance

We recognise 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 a risk based approach to global ethics and compliance training for Elementis employees.

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.

A Data Protection Steering Committee (DPSC) was established in 2018 to mitigate risks arising in connection with the EU General Data Protection Regulation and related laws in other jurisdictions. The DPSC coordinates its activities with the ECT.

During 2020, human rights related training, including modern slavery in the supply chain, was cascaded to group employees. The completion rates for all human rights related training in 2020 was 95%.

An email from the CEO was cascaded to all employees reinforcing the compliance culture expected at Elementis with a specific focus on completion of online compliance training and how to raise concerns through the Alertline® (a 24-hour anonymous multi-lingual phone and online reporting service)

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 also:

- (a) aims to create an environment where employees respect and trust each other and where there is protection from discrimination, harassment or unsafe practices.
- (b) upholds our commitment to high ethical standards of fairness and respect in all business dealings including customers, suppliers and distributors.
- (c) requires the people in our supply chain to be treated fairly and their human rights respected.

(d) is aligned with applicable laws and regulations.

To help our employees understand and adopt our values, principles and standards in their daily work life, information and training are provided and are supported by comprehensive whistleblowing procedures and an anti-retaliation policy. The Code is available in 7 languages representing the global diversity of employees that work for the Company.

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 and online reporting service. Employees may also raise concerns to their line managers or through the HR department. 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 risk assess and audit our key, major and 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. We seek verification of credentials and applicable certifications for suppliers before they are added to our qualified supplier list. We reserve the right to audit and carry out site inspections as may be appropriate.

We send survey style questionnaires on a three yearly basis, to our suppliers requiring them to self-certify against our policies on international labour 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. No concerns have been identified through our current arrangements. Where we suspect wrongdoing, we reserve the right to terminate the agreement.

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

Employees

Employees - we employ approximately 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. As part of our ongoing commitment, our latest communication on progress (COP) report details the steps we have taken in 2020 relating to human rights, labour, environment and anti-bribery and corruption. A copy of the report can be found on the Company's website.

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, labour & 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 are proud to have retained our silver medal for a number of years, putting Elementis in the top 5% of silver rating in the manufacturing sector.

OUR RISK ASSESSMENT AND MANAGEMENT

The Board has overall responsibility for risk management and sets the Group's policies, culture and tone on risk as well as providing oversight to management. A risk management framework is in place to identify, assess, mitigate and monitor the risks faced. The Company places the highest priority on preventing loss of life, other harm to people and the environment, legal and regulatory breaches.

Every individual at Elementis has a responsibility to manage risk, irrespective of function, business or role.



In 2021, a human rights specific risk impact assessment of our operations and activities will be carried out which will help us to identify areas for improvement and action.

OUR TRAINING AND AWARENESS

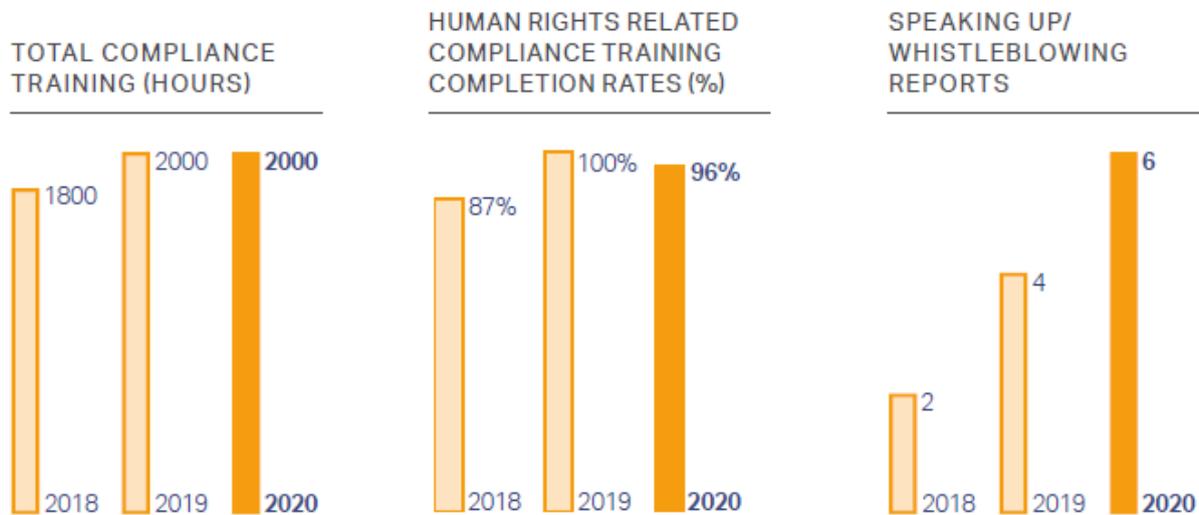
All employees and contractors are given training to understand their roles and responsibilities to ensure compliance with our safe work procedures and we conduct regular audits to determine policy compliance.

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.

All new employees are required to undertake training on the Code and refresher training is required every two years.

OUR KEY PERFORMANCE INDICATORS

At Elementis, we regularly monitor our Key Performance Indicators (KPIs) as they help us ensure the effectiveness of our efforts to address modern slavery risks and are reviewed quarterly by the ECT.



COVID-19

The impacts of COVID-19 have brought unprecedented challenges to the world, including Elementis. We recognise and understand that groups who are vulnerable and susceptible to modern slavery are more likely to be adversely affected by the pandemic.

The health and safety of our employees, customers, suppliers and communities where we operate remains a high priority for us to ensure there is no modern slavery and human trafficking in our businesses or supply chains.

For more information on our COVID-19 response, please see our 2020 Annual Report and Accounts, which can be found on our website.

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 10 March 2021 and signed by Paul Waterman.

Paul Waterman

CEO

10 March 2021