



## **Modern slavery statement for financial year 2023-2024**

Environmental Speciality Chemicals Group annual modern slavery statement has full Board approval and its unreserved commitment to continue to do all that we can as a business with an international supply chain.

We have undertaken, for the sixth year running, modern slavery risk mapping to support the production of our Modern Slavery Statement.

Current economic conditions places some of the most vulnerable in our society and in our supply chains in a position of increased vulnerability and further exposes them and their families to exploitation.

We take all forms of slavery and human trafficking very seriously. This is the sixth Modern Slavery Statement issued in accordance with Section 54 of the Modern Slavery Act 2015.

This statement sets out the steps that the Environmental Speciality Chemicals Group has taken and is continuing to take to ensure that modern slavery or human trafficking is not taking place within our business or supply chain.

Modern slavery encompasses slavery, servitude, human trafficking and forced labor. The Environmental Speciality Chemicals Group has a zero-tolerance approach to any form of modern slavery. We are committed to acting ethically and with integrity and transparency in all business dealings and to putting effective systems and controls in place to safeguard against any form of modern slavery taking place within the business or our supply chain.

We demonstrate our commitment to preventing modern slavery and human trafficking by voluntarily producing this statement to provide a level of assurance to our customers and supply chain. Even though the legislation does not apply to a business of our size, we feel it's important to be open and transparent about our recruitment practices, policies and procedures in relation to modern slavery and to take steps that are consistent and proportionate with our sector, size and operational reach.

In 2018 we first produced our modern slavery statement, and in light of the importance of tracking and eradicating modern slavery. We aim to undertake ongoing full supply chain reviews and are hopeful we will continue to expand our work, ensuring we take action to address and effectively mitigate risks relating to Modern Slavery. We remain steadfast in our commitment to preventing any form of Modern Slavery within our business and throughout our supply chain.

Within our review we have sought to gather data for an extensive modern slavery risk mapping exercise for all countries where we have business operations, sources goods or have supply chains.

We will use this information as part of our due diligence process for new goods, materials or services to help us to better understand modern slavery and human trafficking risks. It helps us to clearly identify areas of risk and set clear priorities for purchasing decisions.

## **Our business**



Environmental Speciality Chemicals is the parent company for a number of subsidiaries. Our operations are based across four countries, the UK, Poland, Norway and Sweden. Our operations include water treatment and chemical engineering research, chemical manufacturing, water treatment and hygiene services and water treatment plant and equipment supply and maintenance.

Within our group we have offices, warehouses, a laboratory and a chemical manufacturing plant. Our operations in Norway, Sweden, and the UK are focused on the supply of water treatment services across several different sectors. Our operations in Poland include the manufacture of chemicals for the Group, as well as the supply of water treatment services and laboratory testing.

### **Our supply chain**

Across the Group, our supply chain is roughly 300 companies.

We work with suppliers from across the world, who are in line with our brand values to supply cost effective and highly efficient water treatment chemicals and dosing equipment. We understand, given the scope and nature of our supply chain, that we do risk exposure to forms of modern slavery. That's why we work diligently to identify where these risks are in our supply chain - allowing us to focus our efforts accordingly to both mitigate and eliminate them.

### **Our high-risk areas**

ESC Global recognises no country in the world is exempt from modern slavery. Regardless of size, population or wealth, this insidious crime permeates national borders and global supply chains. However, the countries our Group operates in are classed as low risk for modern slavery, (with the exception of Poland low to medium risk) with Norway and Sweden ranking in the lowest prevalence countries according to the Walk Free Global Slavery index 2023.

In addition, the United Kingdom, Norway and Sweden were listed in the top 10 countries taking action against modern slavery according to the Walk Free Global Slavery index 2023.

Our supply chain is predominantly based within Europe and the risk factor is predominantly low to medium.

We do not believe any of our supply chain is linked to high risk sectors such as electronics, agriculture, food production, textiles or tobacco. However, a full supply chain analysis can be found under the heading 'Supply chain risk mapping'.

We acknowledge some of our customers do operate within the food production industry and this is classed as a high risk industry.

### **Our policies**

We operate a number of internal policies to ensure that we are conducting business in an ethical and transparent manner. These include:

- This modern slavery policy statement sets out the organisation's stance on modern slavery and links to training where employees can identify any instances of this and where they can go for help.

- Recruitment policy. We operate a robust recruitment policy, including conducting eligibility to work in the UK checks for all employees to safeguard against human trafficking or individuals being forced to work against their will.
- Code of business conduct. This code explains the manner in which we behave as an organisation and how we expect our employees and suppliers to act.
- Whistleblowing, Grievance and Dignity at Work policies. Staff are aware of how to raise concerns in relation to any perceived wrongdoing or poor practices within the Group without fear of reprisals.
- Market-related pay and reward, which is reviewed annually.
- An enhanced benefits package, providing additional health and welfare options to support our people (and their families) lifestyle choices.
- We raise awareness to staff of how to spot the signs of slavery and human trafficking through information in emails, targeted training and signposting to online resources.

Practical ways we try to reduce risk when sourcing goods from higher risk countries:

*Use data and analyse:* We will use internal data alongside publicly available modern slavery mapping, trends and analysis. We will look at our own procurement data and financial information, goods categorisation and anything else that is useful.

*Audit our supply chain:* We aim to see our supply chain, we know audits are good, but we want to pair them with seeing things for ourselves as well. We know that getting out into business operations and supply chains will allow us to discover through active engagement. We know that asking searching questions and challenging is where and how we can find leverage.

*Educate, engage and empower employees:* We know our employees are our eyes and ears. When they understand the issues and how to spot and report they have the means and heart to do what is right. They will be the ones to keep slavery out of business operations. We will aim to make it simple for them to report in the best way and keep themselves and the victim safe in the process.

*Engage with suppliers in a meaningful way:* Re-framing modern slavery is often necessary, and we know that the language of modern slavery will need to be adaptable in order to get traction with different countries and cultures.

### **Our suppliers**

We operate a supplier policy and maintain a preferred supplier list. We conduct due diligence on suppliers before allowing them to become a preferred supplier. This due diligence includes an online search to ensure that a particular organisation has never been convicted of offences relating to modern slavery and financial checks. Our anti-slavery policy forms part of our contract with all suppliers and they are required to confirm that no part of their business operations contradicts the Modern Slavery Act 2015.

In addition to the above, as part of our contract with suppliers, we require that they confirm to us that:

- They have taken steps to eradicate modern slavery within their business
- They hold their own suppliers to account over modern slavery
- (For UK based suppliers) They pay their employees at least the national minimum wage

- (For international suppliers) They pay their employees any prevailing minimum wage applicable within their country of operations
- We may terminate the contract at any time should any instances of modern slavery come to light

### **Supply chain risk mapping**

Environmental Speciality Chemicals Group assess whether or not particular activities or countries are high risk in relation to slavery or human trafficking. We have sought to gather data for this extensive modern slavery risk mapping exercise for all countries where we have business operations, source goods or have supply chains.

We will use this information as part of our due diligence process for new goods, materials or services to help us to better understand modern slavery and human trafficking risks. It helps us to clearly identify areas of risk and set clear priorities for purchasing decisions. Within Appendix 1 can be found the evidence and drivers we have used to undertake our supply chain risk mapping.

### **Training**

We conduct training for our staff to raise awareness of modern slavery so that they understand the signs and what to do if they suspect that it is taking place within our supply chain.

The training covers:

- how to assess the risk of slavery and human trafficking;
- what initial steps should be taken if slavery or human trafficking is suspected;
- how to escalate potential slavery or human trafficking issues to the relevant parties within the organisation;
- what external help is available, for example through the Modern Slavery Helpline, Gang masters and Labour Abuse Authority and the “Stronger Together” initiative;
- what messages, business incentives or guidance can be given to suppliers and other business partners and contractors to implement anti-slavery policies; and
- what steps the organisation should take if suppliers or contractors do not implement anti-slavery policies in high-risk scenarios, including their removal from the College’s supply chains
- our purchasing practices, which influence supply chain conditions and which should therefore be designed to prevent purchases at unrealistically low prices, the use of labour engaged on unrealistically low wages or wages below a country’s national minimum wage, or the provision of products by an unrealistic deadline.

Awareness Raising Programme - as well as training the relevant staff, we will raise awareness of modern slavery issues by making the following information available:

- the basic principles of the Modern Slavery Act 2015;
- how employees can identify and prevent slavery and human trafficking;
- what employees can do to flag up potential slavery or human trafficking issues to the relevant parties within the organisation; and
- what external help is available, for example through the Modern Slavery Helpline.

### **Our performance indicators**

We will know the effectiveness of the steps that we are taking to ensure that slavery and/or human trafficking is not taking place within our business or supply chain if:

- No reports are received from employees, the public, or law enforcement agencies to indicate that modern slavery practices have been identified.
- Our staff annually complete training on modern slavery;
- We have developed and audited a system for supply chain verification; and
- We are annually reviewing our existing supply chains.

### **Due diligence**

The due diligence and reviews include:

- seeking confirmation from any potential supplier in our Standard Selection Questionnaire or Invitation to Tender document as to whether they are:
  - A relevant commercial organisation as defined by section 54 of the Modern Slavery Act 2015 ("The Act")?
  - If so, whether they are compliant with the annual reporting requirements contained within section 54 of The Act?
- mapping the supply chain broadly to assess particular produce or geographical risks of modern slavery and human trafficking;
- evaluating the modern slavery and human trafficking risks of each new supplier

### **Approval for this statement**

This statement was approved by:

Keith Slingsby, Director



Date 28/07/2023

- Victoria Slingsby has responsibility for the initiatives within this statement and will report annually to the Board of Directors the implementation of this policy.

### **Appendix 1**

#### **Risk Mapping data**

Due to its hidden nature, producing an accurate measure of prevalence is difficult. This is due to a number of factors including the hidden nature of the offence. It is possible, however, to capture the risk of modern slavery in a given country by attending to proxy measures. We have used Marshalls method of tracking phenomena and drivers that are strongly associated with modern slavery. The 7 drivers are as detailed below:

#### ***Driver 1: Access to banking***

*What is captured by this driver:* This driver seeks to capture the access to banking in a given country based on the percentage of the population that owns a bank account.

*Why this driver is relevant to Modern Slavery Risk?* Workers that do not have a bank account may have less control over their money than those that do. Victims of modern slavery typically have little control over their own money, a characteristic that is exacerbated by limited banking infrastructure. We acknowledge that owning a bank account is not necessarily equivalent to controlling a bank account. Instead, we wanted to measure the banking infrastructure of a given country, and its availability to the general population.

#### ***Driver 2: Education, health, and standard of living***

*What is captured by this driver:* This driver seeks to capture the quality of education and healthcare within a given country. It also seeks to capture the standards of living enjoyed by its population. Rates of inequality are also taken into consideration here.

*Why this driver is relevant to Modern Slavery Risk?* A number of factors strongly associated with modern slavery are tracked by this driver. Measuring education will somewhat reflect literacy and numeracy rates, skills that help workers avoid accepting exploitative contracts. A measure of the standard of living helps to reflect the degree of poverty or deprivation in a country – factors that drive workers to risk their freedom for a chance of employment. Furthermore, this driver adjusts scores based on rates of inequality, thereby reducing a possible skew on the score by the presence of a privileged minority within the country.

#### ***Driver 3: Protection of children from exploitation***

*What is captured by this driver:* This driver aims to measure how far a country's policies and labour laws eliminate child labour (as defined by the ILO conventions and ETI Base Code) and foster an environment in which children are not required to undertake inappropriate work to support their family.

*Why this driver is relevant to Modern Slavery Risk?* Children are highly vulnerable to modern slavery. With this in mind, it seemed key to include a driver that tracked the protections afforded to them by the state and how effective these protections turned out to be.

#### ***Driver 4: Government Efforts to combat human trafficking***

*What is captured by this driver:* This driver aims to capture the effectiveness of measures that states have in place to identify and protect victims of trafficking and modern slavery. Also captured by this driver are state measures designed to prevent and diminish practices of trafficking and slavery occurring within a given country.





*Why this driver is relevant to Modern Slavery Risk?* Without strong measures in place to combat human trafficking and support victims of this offence, traffickers can continue to exploit victims and victims continue to be at risk of returning to exploitation.

#### ***Driver 5: Gender Equality***

*What is captured by this driver:* This driver aims to capture the severity of gender based disadvantage within a given country.

*Why this driver is relevant to Modern Slavery Risk?* Women are commonly thought to be more vulnerable to a variety of types of modern slavery than men. Capturing the inequalities between men and women in a given country will give some indication of the heightened vulnerability of women in comparison to the men of that country.

#### ***Driver 6: Labour rights***

*What is captured by this driver:* This driver aims to capture the protections offered by labour laws in a given country. Included in this driver is the state's respect for fundamental civil liberties and the freedom of workers to join and engage with trade unions.

*Why this driver is relevant to Modern Slavery Risk?* If workers have little or inadequate legal protection, they are more vulnerable to exploitation. As labour exploitation forms an essential aspect of many varieties of modern slavery, it seemed crucial to include some measure of the protection or lack of offered to workers by states, and the respect employers have for these rights.

#### ***Driver 7: Rule of law and resilience***

*What is captured by this driver:* This driver aims to capture the protections offered by labour laws in a given country. Included in this driver is the state's respect for fundamental civil liberties and the freedom of workers to join and engage with trade unions.

*Why this driver is relevant to Modern Slavery Risk?* If workers have little or inadequate legal protection, they are more vulnerable to exploitation. As labour exploitation forms an essential aspect of many varieties of modern slavery, it seemed crucial to include some measure of the protection or lack of offered to workers by states, and the respect employers have for these rights.

## **List of Sources**

Walk free Global Slavery index 2023 <https://www.globalslaveryindex.org/>

[World | The Global Slavery Index \(walkfree.org\)](https://www.globalslaveryindex.org/)

The World Bank: Global Findex Database: <https://globalfindex.worldbank.org/>

Unepfi.org: [Findex-Data-Book-2021.pdf \(unepfi.org\)](#)

The World Bank: Governance Indicators:  
<http://info.worldbank.org/governance/wqi/index.aspx#reports>

*The 2023 update of the Worldwide Governance Indicators, with data for the period 1996-2022, will be publicly available on Friday September 29, 2023.*

United Nations Development Programme: Human Development Reports – Inequality-adjusted Human Development Index: [HDR21-22 Statistical Annex I-HDI Table.xlsx \(live.com\)](#)

United Nations Development Programme: Trends in the Development Index 1990 – 2021  
[HDR21-22 Statistical Annex HDI Trends Table.xlsx \(live.com\)](#)

United Nations Development Programme: Human Development Reports: Gender Inequality Index [HDR21-22 Statistical Annex GII Table.xlsx \(live.com\)](#)

Children's Rights and Business Atlas - [The Children's Rights and Business Atlas | Save the Children's Resource Centre](#)

Ratification of Fundamental ILO Conventions  
[http://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:10011:0::NO::P10011\\_DISPLAY\\_BY,P10011\\_CONVENTION\\_TYPE\\_CODE:1,F](http://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:10011:0::NO::P10011_DISPLAY_BY,P10011_CONVENTION_TYPE_CODE:1,F)

World Justice Project – Rule of Law Index [WJP Rule of Law Index | Global Insights \(worldjusticeproject.org\)](#)

International Trade Union Confederation - Global Rights Index [ITUC Survey of violations of trade union rights \(ituc-csi.org\)](#)

Ethical Trade Initiative Base Code <https://www.ethicaltrade.org/eti-base-code>

International Labour Organisation - forced labour protocol  
[https://www.ilo.org/wcmsp5/groups/public/---ed\\_norm/---declaration/documents/publication/wcms\\_321414.pdf](https://www.ilo.org/wcmsp5/groups/public/---ed_norm/---declaration/documents/publication/wcms_321414.pdf)