

Modern Slavery and Human Trafficking Statement

Introduction from the Executive Chairman

We are committed to improving continuously our existing practices to combat slavery and human trafficking. We will study and follow Government and other reports and guidance, particularly the UN working group's report on human rights due diligence. We will also keep under review and amend our trading documents and practices to: (i) help identify risk, and (ii) procure appropriate commitments from customers and those in our supply chain.

Organisation's structure

We are the parent company of the Hexadex group of companies (Group). The Group has over 1,200 employees worldwide and operates in Europe, North and Latin America and Asia, including the Indian sub-continent.

The Group has a global annual turnover in excess of £120M.

Our business

Our business operates through five active subsidiary companies, the boards of directors of which have each adopted this statement. The subsidiaries are:

- Teconnex Limited (CRN: 1447529), a manufacturer of clamps and fasteners which operates from the UK (as itself and also via a subsidiary, Bellows Technology Ltd, CRN: 076003963) and via a joint venture company based in Hong Kong with a wholly owned subsidiary in mainland China, also via subsidiary operations in Mexico, in Romania, and in India.
- Eminox Limited (CRN: 1349209), a manufacturer of exhaust and emission control systems for commercial vehicles based in the UK but with a joint venture operation in China and a global customer base.
- Ceramex Limited (CRN: 05202141) which cleans diesel particulate filters used on both commercial vehicles and passenger cars; it is based in the UK but also operates via a joint venture mechanism in the states of Delaware and Missouri each a state of the United States of America, along with Japan.
- Hooton Engineering Limited (CRN: 04125393) a fabrication business based in the UK, specialising in stainless steel products and systems.
- CWM Automation Limited (CRN: 05893689) a business based in the UK which specialises in design manufacture and production of automated machinery, which also operates in the USA and in Australia.

Our supply chains and customers

Our supply chains predominantly originate in Europe, where raw materials and proprietary components are purchased from suppliers of repute. Our supplier evaluation procedure requires audit and approval of potential new suppliers before commencement of business. During 2016, we introduced revised supplier audit procedures intended to ensure that all new suppliers (regardless of turnover) either agree to comply with the provisions and spirit of the 2015 Act, or if smaller than that by which a statement is mandatory, to adopt and ensure best practice nonetheless. During 2017, we suggested to our customers who impose compliance obligations under the Act on us contractually that these provisions should be reciprocal. During 2018 and into 2019 we have considered – and will continue to examine – the extent to which our efforts may be enhanced by joining charitable or business led initiatives which combat slavery and

human trafficking. Supply chain performance and effectiveness continues to be measured constantly with re-audit and corrective actions being applied as and when required.

Our policies on slavery and human trafficking

We are committed to ensuring there is no modern slavery or human trafficking in our supply chains or in any part of our business. We will be particularly vigilant to watch for and report any evidence of labour abuse of eastern Europeans, Mexicans or those with whom we engage in the Indian sub-continent - potentially the greatest areas of risk in our operations.

Due diligence processes for slavery and human trafficking

To identify and mitigate risk we will aim to put in place and maintain systems to:

- Identify and assess potential risk areas in our supply chains and customer base.
- Mitigate the risk of slavery and human trafficking occurring in our supply chains.
- Monitor potential risk areas in our supply chains.
- Protect whistle blowers.

Supplier adherence to our values

We have zero tolerance to slavery and human trafficking. To ensure all those in our supply chain and contractors comply with our values we have in place a supply chain compliance programme which consists of issuing conditions of purchase requiring counterparties to confirm their own compliance with the provisions of the Modern Slavery Act 2015, and to dealing only with organisations whose ethics we believe after appropriate due diligence enquiry reflect our own.

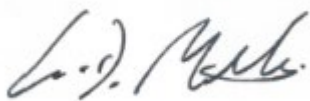
Training

To ensure an appropriate level of understanding about the risks of non-compliance with modern slavery and human trafficking legislation and in our supply chains and business, we have identified, and will aim to provide, training to relevant staff engaged in or about procurement personnel or accounting activities.

Further steps

We will continue to conduct peer reviews to benchmark best practice and to review and incorporate where appropriate guidance from organisations such as the United Nations and Business and Human Rights Resource Centre. Perhaps working in conjunction with other manufacturers in related industries, we will continue to look for ways in which *operation* of the policy (as opposed to devising and implementing it) becomes active second nature.

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes our Group's slavery and human trafficking statement for the financial year ending 31st December 2018.



Director, date: 26th March 2019