



Modern Slavery and Human Trafficking Statement

Summary of steps taken during 2021 to ensure slavery and human trafficking isn't taking place in either our group companies', supply chains, or businesses.

Ahead of the EU requirement to do so we have introduced an active whistleblowing hot line to supplement our earlier advice line (which continues in tandem). This is to create an environment in which any employee or supplier may feel confident that any report (not just about modern slavery obviously) will be treated confidentially if they wish and taken seriously. Where possible, translations have been procured to ensure employees may have access via their indigenous languages, although some work remains to be done on this. Subsidiary companies have obtained policies and policy statements from manufacturing suppliers to ensure that those in our supply chains are aware of their obligations and requiring them to respond on questions based on the UN principles of sustainability relating to Human Rights, Labour Environment and anti-corruption.

A review of our trading terms and conditions has included a new right of audit for some subsidiaries to physically inspect suppliers and this work in progress will be continued in the current year. The terms and conditions also contain an obligation to comply with our mandatory policies, one of which is Modern Slavery and Human Trafficking. A new policy has been drafted and will be released in 2022.

Supplier audits have mainly been desk top exercises due to the Covid-19 pandemic but, mindful of key risk areas, our Eminox subsidiary has conducted an in-person inspection of an eastern European supplier: it also has a Modern Slavery Executive Workshop pending, to be followed by a gap analysis.

In addition, because it is thought the greatest modern slavery risk arises from use of temporary staff, our Teconnex subsidiary has audited the main recruitment firm it uses to source such staff. Right to Work in the UK checks and processes have been enhanced.

About our business

What we do, where in the world we operate (sourcing supplies and selling our goods) and our **organisational structure**.

What

- Designers, manufacturers and servicers of stainless steel and other exhaust systems including exhaust after treatment systems.
- Designers and manufacturers of catalyst filled cans.
- Manufacturers of purpose designed clamps and industrial couplings.
- Assemblers of Li-ion battery packs for leisure and domestic energy storage and the incorporation of them into energy storage systems.
- Providers of cleaning systems for diesel particulate filters.
- Replace and repair diesel particulate filter brackets by welding.
- Welding in ceramic core retainer rings in diesel particulate filter housings.
- Manufacture and engineering fabrication for the food processing industry, developers' construction and plastics industry (products include LEV systems, hoppers, silos, conveyors, steel walkways and stairs all manufactured at the premises and in some cases installed).
- Re-conditioning of exhaust silencers.

- Design, manufacture and supply of metallic expansion joints and bellows assemblies and the supply of rubber bellows, metallic and PTFE hose assemblies, fabric compensators and other engineering products.
- Design and build of food/packaging machinery including test commissioning, control system design, build, software installation and service.
- Property Owners.
- Remanufacture of exhaust after treatment systems, including replacement of catalyst, cleaning of filters and external system to industry standard.

Where

- We have sites in the UK, Romania, India, Mexico and JV partners in China, India, Japan and the USA too.
- Eminox Ltd is developing plans to set up in Slovakia.
- Our supply chains, however, are global with some steel, for instance, coming from South Africa while components are sourced from the Middle East, PRC and the USA, in addition to the EU and EFTA countries.

Structure

- The relevant parts of our group Structure are shown in **Appendix 1**.
- Eminox PTE Limited is a wholly owned subsidiary of Hexadex operated on its behalf by Eminox.

A breakdown of our **headcount** at 31st December 2021 is as follows:

Company	Full time employees	Part time employees	Agency	Independent contractor
Hexadex Ltd	17	3	-	-
Eminox Ltd	282	3	37	3
Eminox PTE Ltd	16	-	-	-
CWM Automation Ltd	51	2	-	-
Ceramex Ltd	60	3	9	-
Teconnex Ltd (including Bellows Technology Ltd)	386	19	43	1

Consolidated Turnover in 2021 £GBP 176,406,000.

Our **top 3 risks** relating to slavery and human trafficking are:

- Use of agency temporary staff.
- Presence in Eastern Europe, especially given the exodus of refugees from Ukraine.
- Tertiary suppliers, especially SMEs.

The documented **procedures** in place to tackle those risks are:

Supply chain

- In **Teconnex** there is a new supplier approval process including sector designation and risk analysis. There is also a process for monitoring and evaluating improvements on the part of those in the supply chain.

- **CWM Automation** has introduced a new supplier proposal form in which details of accreditations are required.
- While **Eminox** has taken similar steps in relation to new suppliers, it is also introducing a supplier risk assessment process to cover existing suppliers too.

HR

- Right to work (in UK) checking process formulated.

Other

- None at present.

Organisations we work with or to which we subscribe to reduce the risk and help us if any cases are identified are:

- Slave Free Alliance
- Protect
- West Yorkshire Anti-Slavery Partnership.

Training we require to be completed:

- All employees must complete an ethics e-learning course.
- A Modern Slavery Awareness e-learning module has been developed and will be released mid 2022 for completion by all employees.

KPIs so we can monitor progress:

- This area requires more work. For the time being:
 - **CWM Automation** is benchmarking made-to-order components to ensure a fair (i.e. not suspiciously cheap) price is paid.
 - **Teconnex** has established the number of suppliers with which it contracts and has broken these into manufacturing and non-manufacturing, allowing target numbers (after risk analysis) of those to be approached seeking modern slavery commitments and current documents for review by target dates.
 - Our e-learning facility allows monitoring of the % of employees who have completed particular modules. The target for 2022 is 60% and increasing to 95% in 2023.

This is the Hexadex Ltd group **Modern Slavery Statement** for the year to 31st December 2021 but reflecting post year end developments where appropriate. It is made pursuant to S54 Modern Slavery Act 2015 and signed on behalf of the board pursuant to delegated authority to do so by its Chairman, William David Milles, on 20th June 2022.



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W D MILLES
Chairman



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Appendix 1

Group Structure Chart

