



# Modern Slavery and Human Trafficking Statement 2023

## **1. Introduction:**

In accordance with our Values and our Code of Ethics, Hexadex Group is committed to trade ethically, source responsibly and take a transparent and robust approach to prevent Modern Slavery and Human Trafficking throughout our businesses and in our supply chain.

We make this statement pursuant to section 54(1) of the Modern Slavery Act 2015 for the financial year ending 31<sup>st</sup> December 2023 to highlight the key activities we have undertaken during the year to combat Modern Slavery and Human Trafficking.

## **2. Our Organisation Structure, Business and Supply Chains**

Hexadex Group consists of the companies listed in the table below.

**Headcount** as of 31<sup>st</sup> December 2023 is as follows:

<b>Company</b>	<b>Full time employees</b>	<b>Agency</b>
Hexadex Ltd.	23	1
Eminox Ltd.	205	28
Eminox Slovakia s.r.o.	24	0
Teconnex Ltd. (including Bellows Technology Ltd.)	410	47
Teconnex Europe SRL	225	0
Teconnex Mexico S de R.L. de C.V.	208	0
Teconnex India Private Limited	47	130
Ceramex Ltd.	60	0
CWM Automation Ltd.	24	0

Our group consolidated turnover in 2023 was £188m.

### **What we do:**

- Design, manufacture and service exhaust after treatment systems to meet specific customer and legislative requirements.
- Design and manufacture of catalyst filled cans.
- Manufacture purpose designed clamps and industrial couplings.
- Design, manufacture and supply metallic expansion joints and bellows assemblies including metallic and PTFE hose assemblies, fabric compensators and other precision engineering products.
- Assemble lithium-ion battery packs for leisure and domestic energy storage.
- Design, manufacture and installation of special purpose machinery, including installation, testing, commissioning and servicing.
- Provide cleaning systems and remanufacturing services for diesel particulate filters, including the replacement and repair of components and restoration through surface treatment.
- Design, manufacture and installation of food/packaging machinery and control systems, including installation, testing, commissioning and servicing.
- Own Real Estate.

**Where we operate:**

We operate manufacturing sites in the UK, Romania, India, Mexico, Slovakia and have joint venture partners in China, India, Japan and the USA.

**Our Supply Chain:**

Our supply chains are global with raw material and components sourced from the Middle East, Africa, Asia, USA, in addition to the EU and EFTA countries.

**3. Policies**

We have specific policies in place to protect against Modern Slavery or Human Trafficking in our supply chains or in any part of our business. These include Code of Ethics, Anti-Slavery and Human Trafficking Policy, Supplier Code of Conduct and Whistleblowing Policy. We periodically review and update all our policies to ensure compliance with any legislative and business changes.

**4. Due Diligence**

We continue to monitor and maintain our external whistleblowing hot line, now in its third full year of operation which operates alongside our external advice line. The whistleblowing service is available in the local language applicable to all our wholly owned operating companies. We continue to use our regular communication channels to remind employees of its existence and create an environment in which any employee or supplier may feel confident that any report (not just about Modern Slavery) is treated confidentially, if they so wish and is taken seriously.

Our trading terms and conditions include a right of audit for some subsidiaries to physically inspect suppliers and place a contractual condition on suppliers to comply with all applicable policies on Modern Slavery and Human Trafficking. The terms and conditions also contain a formal obligation to comply with our mandatory policies, one of which is our Anti-Slavery and Human Trafficking policy.

Our core training program has been revised and includes a requirement for all current and new employees throughout the Hexadex Group to complete e-learning courses that include the Hexadex Group Code of Ethics and Modern Slavery Awareness. Training is refreshed on a 3-year cycle or at policy change.

**5. Risk Assessment and Management****Risks**

Hexadex Group has identified the following as our top three risks to the business and the supply chain:

- Use of agency temporary staff and recruitment of permanent staff.
- Presence in Mexico, India and Eastern Europe.
- Tertiary suppliers including SMEs.

**Managing Risks**

Hexadex Group takes the following steps to manage the risks of slavery and human trafficking in our business and our supply chain.

**People:**

- Right to work checking process formulated at all businesses within Hexadex Group and embedded into detailed recruitment processes. This includes confirming bank accounts for payment of salaries, address duplication and next of kin.
- Verification of the credentials and qualifications of job candidates to ensure they are legitimate and accurate.

This can involve conducting background checks, verifying employment history, educational qualifications and checking references.

- Monitoring mechanisms for recruitment agencies to oversee the recruitment process and ensure compliance with company policies and legal requirements. This includes conducting regular audits of recruitment practices, reviewing documentation related to recruitment activities and conducting site visits.

#### **Supply Chain:**

- Risk based analysis of the supply chain to identify suppliers that are at higher risk of Modern Slavery and Human Trafficking (based on factors such as geography, industry, business size and demographic) permitting a tier-based approach to due diligence.
- Supplier approval processes include an assessment of risk and of the supplier's procedures and processes to prevent Modern Slavery.
- Suppliers sign up in agreement to comply to a Supplier Code of Conduct.
- Suppliers are subject to third party audits (starting with the higher risk category).

#### **Collaboration:**

Organisations we collaborate with or to which we subscribe to reduce the risk and help us if any case is identified are:

- **Slave Free Alliance (SFA)** – supporting independent reviews, training and consultancy in areas such as supply chain activities.
- **NAVEX** – operating a confidential whistleblowing hotline and support services.
- **Protect** – providing confidential advice to employees and associates regarding whistleblowing.
- **West Yorkshire Anti-Slavery Partnership** – supporting organisations in West Yorkshire (Teconnex) who may encounter incidents or matters involving modern slavery or human trafficking and exploitation.

#### **Additional Steps:**

Actions taken by our subsidiaries during 2023:

- Eminox worked with our partner the Slave Free Alliance (SFA) to carry out an independent review of our organisation's response to modern slavery risks, to identify good practice and areas for improvement across the organisation and supply chain. Following this workshop the independent report identified areas of strength and areas for advancement which will be implemented during 2024.
- Teconnex carried out a review of their suppliers using a risk-based analysis and suppliers have signed up to the Teconnex Supplier Code of Conduct. Teconnex has also partnered with BSI to complete third party supply chain audits during 2024.
- Ceramex updated their supplier selection process which includes Modern Slavery and Human Trafficking provisions, ensuring that the supplier has their own policies in place for compliance or they agree to comply with the Ceramex policy. New and existing suppliers are required to sign up to a Supplier Code of Conduct to ensure compliance as a minimum. Ceramex also carried out an independent review with the Slave Free Alliance to identify our response, good practice and areas for improvement. The subsequent independent report and action plan is managed by the senior team and is driving further improvements during 2024.
- Hexadex has drafted a policy for the escalation and remediation of Modern Slavery and Human Trafficking, should any potential incident be identified or disclosed and this will be released to the Hexadex Group companies during 2024.
- Hexadex is collaborating with each of the subsidiary companies during 2024 to further develop our policies aligned to our ESG (Environmental, Social & Governance) roadmap. Our ESG roadmap encompasses climate change, human rights and adherence to laws aligned to the applicable sustainable development goals of the United Nations.

## 6. Training

Training we require to be completed:

- All employees must complete a Code of Ethics e-learning module.
- All employees must complete a Modern Slavery Awareness e-learning module.
- Training is refreshed on a 3-year cycle or at legislation/ policy change.

We have collaborated with the Slave Free Alliance (SFA) to deliver Modern Slavery and Human Trafficking Awareness training to our executive and senior leaders. We are currently collaborating with the SFA on further bespoke training for key areas of the business such as supply chain and HR.

## 7. Monitoring Our Effectiveness

The following KPIs continue to be developed and used to monitor progress:

- Monitoring the % of employees in the Hexadex Group who have completed the mandatory e-learning modules. Our target for 2024 is that more than 95% of employees will have completed these modules.
- Monitoring of the % of suppliers who have signed up to the Supplier Code of Conduct (new for 2024).
- Monitoring of any incidents, disclosures or cases of Modern Slavery or Human Trafficking within our business or supply chain.

## 8. Approval

This statement has been approved by the Hexadex Group Board of Directors and signed on behalf of the Board pursuant to delegated authority to do so by its Chairman, William David Milles.

This statement is also approved by each subsidiary Board of Directors and signed by the Managing Director on their behalf.

Signed by:



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**W D Milles**  
**Executive Chairman**  
**Hexadex Ltd.**

Date: 9<sup>th</sup> May 2024

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**B A J Milles**  
Managing Director  
Ceramex Ltd.

Date: 21-Jun-2024

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**M G Williams**  
Managing Director  
CWM Automation Ltd.

Date: 21-Jun-2024

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**J D Griffith**  
Managing Director  
Eminox Ltd.

Date: 21-Jun-2024

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**C P Marsden**  
Managing Director  
Teconnex Ltd.

Date: 24-Jun-2024