

## Modern Slavery Statement

ACO do not condone modern slavery in any direct or indirect form throughout our business.

### Introduction

ACO Technologies plc (ACO) was established in 1984.

ACO's principal activities are the designing, manufacturing, and selling of polymer concrete, stainless steel, and other corrosion resistant products in the building products sector. This broad range of surface water management systems are designed to provide the optimum solution in storm water control and sustainable drainage systems.

### Organisational Structure

ACO is a subsidiary of ACO Ahlmann SE & GmbH, a German company based in Rendsburg, Germany.

Trade is conducted under the brand names ACO Water Management and ACO Building Drainage.

The Head Office of ACO is based in Shefford, Bedfordshire. There is another site located at Bedford, Bedfordshire where the ACO Building Drainage division operates from. At both locations there is manufacturing, warehousing, sales, and administration functions.

ACO has 280 employees who are all on full or part -time contracts.

### Supply chains

In addition to manufacturing a substantial proportion of our products that we sell, the company also purchases raw materials, components, and goods for resale from the following sources:

1. Other ACO Global Group companies
2. Third party suppliers based in the UK
3. Third party suppliers based in Europe
4. Third party suppliers located in Asia

ACO's inbound supply chain is mainly UK and EU based, with a small proportion of suppliers based outside of Europe.

Our onboarding processes and procedures for all new suppliers ensure that we have full visibility and transparency of any new partners added to our supply chain.

Before a new supplier is used, they must be added to our Approved Supplier List (ASL).

To become an Approved Supplier and depending upon the nature of the business requirements, we may ask the potential new supplier to complete a 'New Supplier Questionnaire' This is typically completed for any raw materials, components and/or finished

goods suppliers. In addition to this a “New Supplier Form” is completed and approved by both the Procurement Manager and Finance prior to the supplier being added to our business system and our ASL.

For raw materials, components & finished goods suppliers we require as a minimum that the supplier is certified to ISO 9001 and actively encourage our suppliers to hold ISO 14001 and ISO 45001.

Our ASL is maintained by the Procurement function with regular reviews to ensure any certifications are up to date.

For the Financial Year ending December 2022, ACO has focused on UK Third Party suppliers.

Category	Type	Status	Target
1	Group	Complete	100%
2	UK TP	Incomplete	Mar-24
3	European TP	Incomplete	Dec-24
4	Asian TP	In progress	Jun-24

### What is modern slavery?

ACO do not condone modern slavery in any direct or indirect form through our supply chain.

Modern Slavery involves one person deprives another person of his or her liberty for personal or commercial gain (UN Guiding Principles on Human Rights).

Modern slavery can take many forms. It is a complex and multi-faceted problem. The Modern Slavery Act (MSA) covers four key criminal activities:

**Slavery:** where ownership is exercised over an individual

**Servitude:** involves the obligation to provide service imposed by coercion

**Forced and compulsory labour:** all work or service, not voluntarily performed, which is obtained from an individual under the threat of force or penalty

**Human trafficking:** involves arranging or facilitating the travel of another with a view to exploiting them

Other forms of modern slavery, which we will not tolerate, but are not specifically referenced in the MSA include, but are not limited to:

**Child labour:** whilst not always illegal in the jurisdiction in which it takes place, child labour involves the employment of children that is exploitative, or is likely to be hazardous to, or interfere with, a child’s education, health (including mental health), physical well-being or social development.

All forms of modern slavery have in common the deprivation of a person's liberty by another to exploit them for commercial or personal gain and amount to a violation of an individual's fundamental human rights.

### **Policies in relation to slavery and human trafficking**

The ACO code of conduct aims to ensure that our people uphold our values to help maintain our reputation as an ethical and responsible business.

**Procurement:** Our supply chain policies cover the following key principles:

1. Employment is freely chosen
2. Freedom of association and the right to collective bargaining are respected
3. Working conditions are safe and hygienic
4. Child labour shall not be used
5. Living wages are paid
6. Working hours are not excessive
7. No discrimination is practised
8. Regular employment is provided
9. No harsh or inhumane treatment is allowed

Each of our suppliers agree to these principles by signing our supplier policy agreement, which is renewed annually.

Failure to meet these minimum requirements can result in ACO terminating the supply agreement.

**Anti-Bribery:** We have a zero-tolerance stance on bribery and all employees receive training to recognise and avoid bribery.

**Recruitment:** We take a robust approach to recruitment, 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. We only use reputable recruitment agencies, all of whom have had to confirm that they will not engage in any practice that would be considered modern slavery under UK law. We are a 'living wage' employer and apply these rates to all staff whether on our payroll or working via an agency.

**Whistleblowing:** Our policies ensure that our employees know that they can raise concerns about how colleagues are being treated, or practices within our business or supply chain, without fear of reprisal. Employees are encouraged to report any perceived risks or concerns about modern slavery, including any involving customers or suppliers. Such reports are taken seriously, and investigations undertaken.

**Health and safety:** We aim to ensure that we provide a safe working environment for those working on our premises. The health and wellbeing of our staff is important to us, and the business supports this via several employee wellbeing initiatives.

## Due Diligence

Our Procurement and Quality teams aim to visit suppliers regularly with formal audits carried if required or if on-going quality or delivery issues have been apparent.

ACO Group have several Strategic Procurement commodity managers who oversee Group Procurement requirements for such commodities as Cast iron, Resin, Steels and Plastics. Regular meetings take place between ACO's Procurement and the Group Strategic teams with supplier meetings both in person and via video conferencing.

Due to the pandemic, in person meetings with suppliers were not possible, however, video conferencing technology was used. As we move out of the pandemic and the world opens for business travel, our expectations are that face-to-face meetings will be re-introduced alongside video meetings.

ACO's focus is on developing and maintaining close and long-term working relationships with all our key suppliers, many of which have been a partner to ACO for many years.

All new Materials, Components & Finished Goods suppliers are required to complete our 'New Supplier Questionnaire' and sign up to our "Supplier Code of Conduct"

## Risk and Compliance

ACO predominately sells to customers based in the UK, a lower risk jurisdiction where slavery and human trafficking is prohibited and criminalised by law.

ACO relies on a stable and well-trained workforce. All our employees have formal employment contracts, which they can terminate. They are all paid at least the national living wage as well as receiving other fixed and flexible benefits. We are satisfied that the risk of slavery or human trafficking occurring in our own business is low.

We complete regular Supplier Risk Assessments for key suppliers of Finished Goods, Materials and Components. Where risks are highlighted an Action Log has been developed to mitigate such risks to our supply chain.

In 2022 we asked all key suppliers to complete an SAQ on Modern Slavery. The results have been used as part of the Supplier Risk Assessment process and where potential risks have been identified they have been added to the Action Log.

Based on the 2022 SAQ responses, we have a significant degree of comfort in our Tier 1 suppliers, that the risk of modern slavery in ACO's supply chain remains low.

Our key suppliers sign up to our Supplier Code of Conduct and we maintain a high degree of direct engagement with suppliers to ensure their understanding of, and compliance with, our

Supplier Code of Conduct & Modern Slavery Policy.

### Communication and employee awareness training

We aim to continuously improve our efforts to prevent Modern Slavery and have set target to ensure we are doing more each year.

#### Policies:

- We will conduct an annual review our supplier questionnaire and ensure all documentation is up to date
- On an ongoing basis we will review policies relating to due diligence

#### Training:

- ACO will keep Modern Slavery Training relevant for the business and ensure employees receive refresher training every three years

#### Due Diligence:

- ACO conducts supplier visits as scheduled
- Procurement and Quality Assurance teams are kept abreast of global and economic factors that could cause risk within the supply chain

#### General:

- We retain memberships of relevant industry associations that support workers in our supply chain to understand Cultural, Social and Ethical issues
- When reviewing or making new sourcing decisions, we actively consider sustainability as part of the process.

WE ARE COMMITTED TO REVIEWING OUR ANTI-SLAVERY POLICY ON AN ANNUAL BASIS



**Mike Simpson Lane**

Managing Director ACO Technologies plc

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