

## Modern Slavery and Human Trafficking Statement

At Leadec, we have a zero-tolerance approach towards modern slavery and human trafficking and are committed to acting ethically and with integrity in all business dealings and relationships. We continue to enforce effective systems and controls to ensure modern slavery is not taking place anywhere in our business or in any of our supply chains.

This statement sets out the actions we have taken, and will continue to take, to prevent slavery and human trafficking. This statement relates to actions and activities during the financial year 1 January 2022 to 31 December 2022.

### Organisational Structure

Leadec is the world's leading service specialist for the entire life cycle of a factory and the associated infrastructure, providing facilities management, engineering, assembly and logistics solutions worldwide. For 60 years, we have been providing customers in the automotive and manufacturing industries with support along the entire factory life cycle: from planning, installation, and automation to operation of the factories and buildings, growing Leadec's operations to over 300 sites in 14 countries and employing over 20,000 staff. As at 31 December 2022, Leadec had 1,833 employees in the UK.

In 2022, we integrated a hygiene company, specialising in delivering hygiene and cleaning services predominantly in the food and beverage industry, into Leadec. Following a full assessment, we have been issued with a GLAA licence from the Gangmasters and Labour Abuse Authority in order to operate within the food and beverage industry.

### Policies and Procedures in respect of Modern Slavery and Human Trafficking within Leadec

We have a number of policies and procedures in place that apply to all employees working for Leadec in order to prevent modern slavery and human trafficking within our operations. These include:

#### Leadec Group Code of Conduct

This outlines the standards, actions and behaviours expected of our all employees when working for Leadec. This is a Global Code of Conduct and all employees are required to sign up to the Code of Conduct as part of their onboarding to Leadec. It is regularly reviewed by Leadec Group with the most recent review in May 2021. The Code of Conduct specifically states:

- Leadec respects human rights worldwide
- Leadec gives its employees fair pay and provides fair working conditions in compliance with all statutory requirements. We therefore also reject all forms of forced labour and child labour, and we will not obstruct lawful employee representation.

#### Recruitment and Onboarding Procedures

We undertake right to work checks for all individuals joining Leadec directly and all employees must evidence their right to work in the UK before any offer of employment is made or within 60 days of any Transfer of Undertakings (Protection of Employment) Regulations 2006 (also known as TUPE).

We use a Right to Work app across our business to undertake right to work checks. The app has robust security measures in place, including facial recognition and the reading of

biometric data, which ensures a more robust recruitment and TUPE transfer process, in line with our obligations in respect of the Immigration, Asylum and Nationality Act 2006.

Employees are not permitted to have their salary paid to a third-party bank account. This means that any new starters are required to provide the details of their own named bank account (either individual or joint account) in order to be paid. This not only reduces the opportunity for fraud in our business, but also ensures employees are paid directly for the hours they work.

We use only specified and approved employment agencies to support our operations with temporary labour. Our Procurement Department verifies the practices of any new agency we use, before accepting workers from that agency.

All new salaried employees receive an awareness guide as part of their onboarding into Leadec, detailing the principles of the Modern Slavery Act 2015, the potential warning signs and indicators, how to escalate any concerns and the external support available, including the Modern Slavery Helpline.

### **Whistleblowing Policy**

This Policy provides a framework for all individuals working for and on behalf of Leadec, (including but not limited to employees, ex-employees, consultants, agency workers, work experience and contractors) to raise concerns in respect of Leadec. This also extends to potential signs of slavery, human trafficking or other human rights abuses. The Policy was updated and recommunicated to all individuals working within Leadec in 2022. All individuals working for or on behalf of Leadec are issued with a copy of this Policy when joining the business and must sign to confirm they have understood this.

Concerns in respect of modern slavery can be raised to an individual's Line Manager, the Compliance officer or via Safecall. Safecall are an independent and external whistleblowing service provider which enables individuals to report any concerns via confidential reporting facility. Any concerns to Safecall are raised to the Board of Management and fully investigated.

### **Working Time Regulations**

We ensure that all employees, including young workers, comply with the Working Time Regulations. Whilst employees can opt out of working hours, we monitor weekly working hours, daily and weekly rest breaks and night workers.

### **Training on Modern Slavery**

Modern slavery training has been delivered to all Supervisors and Managers. This training explains modern slavery, the frequent indicators and/or signs within the workplace and how to escalate concerns, further reinforcing the focus on ensuring individuals are not exploited whilst working for Leadec. If our management team identify any potential signs of modern slavery or have any concerns, they are aware that they must contact the Human Resources Department or the Compliance Officer.

This training will be further extended across Leadec as part of the commitment to our Global sustainability plan, the goals of which are aligned with the United Nation Sustainable Development Goals (UN SDGs). By 2025, we will deliver training to more than 90% of Leadec employees worldwide on human rights and modern slavery, further demonstrating our commitment to respecting human rights.

### **Trade Union Membership**

We recognise and respect each employee's right to freedom of association, including the right to belong or not to belong, to a Trade Union. We have recognition agreements in place with Trade Unions for the purposes of collective bargaining across our business.

### **Risk of slavery and human trafficking within Leadec**

We have reviewed the modern day slavery and human trafficking risks within Leadec. In doing so, we have considered the industries we operate in, the locations of our operations and the current policies and procedures we have in place. Based on this, we consider that the risk of modern slavery or human trafficking occurring within the Leadec workforce to be low.

To date, no reports have been raised with regards to modern slavery within Leadec operations. In the event a concern was raised, this would be treated extremely seriously. An immediate and thorough investigation would be undertaken by a senior Manager, with appropriate support from the Compliance Officer.

### **Tackling Modern Slavery within Leadec's Supply Chain**

Leadec sources goods and services from an extensive network of suppliers that are predominantly purchased through organisations situated in the United Kingdom. The diversity of these suppliers presents challenges in efficiently and effectively assessing and addressing supply chain related issues such as human rights.

In addressing all risks including slavery and human rights within our supply chain, Leadec introduced in 2018, a strategic approach to supplier management, as part of this process our supply chain will be categorised according to their strategic importance to the company.

Those suppliers identified as Tier 1 suppliers will be our primary focus, these are organisations with have a significant impact upon the quality of goods and or services we use in undertaking our business.

As part of the Leadec Supplier Relationship Program suppliers will be managed actively in accordance with their respective tier status. There are agreements in place with the suppliers which range from framework agreements through and standard terms of purchase. It is a requirement during the onboarding process for suppliers to accept the Leadec Conditions of Purchase. Leadec communicates the standards expected of its suppliers through a variety of means including but not limited to supplier assessments, supplier selection, direct interaction, emails and through the Corporate website.

Leadec onboard suppliers using an established cloud based, for a supplier to become a partner to Leadec they undergo assessments and selection based on the criticality of the goods and or services being provided. These processes require the evidence of quality systems and other certification including Modern Slavery statements.

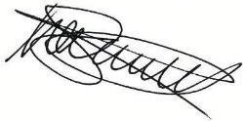
Supplier applications are reviewed and scored by the Leadec Procurement team, only after satisfactory scoring is reached are suppliers added to the supply chain.

If we become aware of any slavery or human trafficking concerns, we reserve the right to suspend and ultimately deselect suppliers if the concerns are not addressed in an acceptable timeframe dictated by Leadec.

The Leadec Group Code of Conduct includes a section titled, Cooperation with Business Partners, this section specifically focuses on Leadec's expected standards for its contractual

relationships. A copy of this Code of Conduct is issued with all new supplier applications and all suppliers being onboarded are required to confirm receipt, acknowledgement and confirmation of understanding of all matters held within this Code of Conduct.

This statement has been reviewed and approved on 9<sup>th</sup> May 2023 by the UK Leadec Board of Management.



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