

## **Modern Slavery Act 2015**

### **HCS Holding GmbH Modern slavery and human trafficking statement 2020**

#### **I. Introduction**

This statement is made by HCS Holding GmbH ("HCS"). This statement is made in relation to HCS's supply chain, as well as those of the following of its subsidiary undertakings: HCS Group GmbH, Haltermann Carless UK Limited, Haltermann Carless France S.A.S., Haltermann Carless Deutschland GmbH, Electrical Oil Services GmbH.

HCS and its group companies ("HCS Group") are committed to ensure that neither we, nor any constituent part of our supply chain, are involved in slavery, servitude, forced labour or human trafficking. We are committed to improve our practices to combat slavery and human trafficking.

This statement outlines the measures that we have taken within the HCS Group to ensure that no slavery or human trafficking is present in our business or supply chains.

#### **II. Organisational structure and supply chains**

HCS is a leading international supplier of high-value hydrocarbon speciality solutions – a company formed from two of the oldest chemical producers in the world, Haltermann and Carless. HCS has distribution channels in more than 90 countries and production facilities in UK, Germany, France and USA. The company's headquarter is located in Frankfurt am Main in Germany.

Our supply chain includes goods and services from both national and international suppliers. We maintain supply relationships with suppliers and customers who are recognised within our industry as being economically, environmentally and socially responsible. We expect our suppliers and customers to obey national and international standards that require them to treat workers and employees fairly, to provide a safe working environment, and to protect the quality of the working environment.

We have considered the exposure of the HCS Group to slavery and human trafficking risk, taking into account the nature of our business activities; the application of group policies, particularly procurement and recruitment practices.

Overall, we consider the HCS Group's exposure to modern slavery and human trafficking risk to be low. However, we acknowledge certain suppliers may pose a higher risk as a result of the industry and jurisdiction in which they operate.

### **III. Policies and procedures**

We are committed to ensuring that there is no modern slavery or human trafficking in our supply chains or in any part of our business. Our commitment to human rights, including our position on forced labour, involuntary labour, child labour, and human trafficking, is outlined in our Code of Conduct, Anti-slavery and Human Trafficking Policy as well as in our Procurement Policy and general terms and conditions.

Within the Group, the HCS Code of Conduct provides important guidelines for HCS's interactions with customers, suppliers and other business partners and one another. The HCS Code of Conduct was updated at the beginning of 2020.

Our Anti-slavery and Human Trafficking Policy demonstrate our commitment to acting ethically and with integrity in all our business relationships and to implementing and enforcing effective systems and controls to ensure slavery and human trafficking are not taking place anywhere in our supply chains.

In addition, our activities are guided by the ten principles of the UN Global Compact, which are incorporated in our Procurement Policy.

We have implemented a group wide whistle blowing procedure, which expressly encourages employees to disclose information relating to suspected incidents of slavery, servitude, forced or compulsory labour or human trafficking at work.

### **IV. Due diligence and monitoring processes**

We intend to build up a supply chain compliance programme to ensure all of our suppliers are aware of our code of conduct principles and Anti-slavery and Human Trafficking Policy. In this context, we have implemented a Code of Conduct for Business Partners and a questionnaire for business partners. The questionnaire monitors compliance with the same principles outlined in our Code of Conduct.

### **V. Risk assessment and measuring effectiveness**

During the last reporting year, we have formalised our risk-based approach, and we are carrying out an assessment on all high and medium feedstock and component suppliers. In addition, we have provided education to all staff in supply chain and procurement related roles. Moreover, we intend to include a statement in all our business development submissions that we are compliant with the Modern Slavery Act and therefore further demonstrating our commitment to abolishing modern slavery.

Over the next 18 months, we will progress further our risk-based approach as well as covering logistics providers to ensure our suppliers continuously meet the standards required in carrying out business with the HCS Group.

## VI. Training and Awareness

The HCS Code of Conduct, the Code of Conduct for Business Partners and the Anti-slavery and Human Trafficking Policy has been disseminated within the HCS Group and is posted on the HCS intranet.

We have an e- training module in place for all our staff covering the principles of our Code of Conduct and modern slavery. In addition, specific training is provided to key procurement and supplier facing personnel to ensure a high level of understanding of the risks of modern slavery and human trafficking in our supply chains and our business. We also have informed on our intranet and circulated emails on the subject in order to raise awareness.

This statement is made in accordance with section 54(1) of the Modern Slavery Act 2015 and constitutes HCS's slavery and human trafficking group statement for the financial year ending December 31st 2020.

This statement was approved by the HCS Group Board and will be reviewed and updated annually.

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