



ENVIRONMENTAL TECHNOLOGY

Modern Slavery Statement

2023

MODERN SLAVERY STATEMENT OF AES ENGINEERING LIMITED AND AESSEAL PLC

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes our Modern Slavery statement for the financial year ending 31 December 2023. This statement was approved by the AES Engineering Limited board of directors on 04 March 2024, and the AESSEAL plc board of directors on 08 March 2024.

Modern slavery is a crime and violation of human rights. It takes various forms such as slavery, servitude, forced and compulsory labour and human trafficking, all of which have in common the deprivation of a person's liberty by another in order to exploit them for personal or commercial gain. It is a growing global issue that transcends age, gender and ethnicities ("Modern Slavery").

OUR PLEDGE

We have a zero tolerance approach to Modern Slavery and we are committed to the prevention, deterrence and detection of Modern Slavery within our business and within our supply chain.

It is our policy to conduct all business activities with honesty, integrity and at the highest possible ethical standards. We are fully committed to implementing and enforcing effective systems and controls within our business and within our supply chain to continually challenge our ability to combat Modern Slavery.

OUR BUSINESS AND ITS STRUCTURE

The AES Engineering Limited group of companies (the "AES Group") was established in 1979 and has rapidly grown in to one of the world's leading specialists in the design and manufacture of mechanical seals and support systems. The AES Group consists of over 50 individual subsidiaries, which are strategically placed around the globe to support the requirements of our customer base.

The AES Group has over 2000 employees worldwide, operates in 40 countries and has a global turnover of £260 million (year end 31 December 2023).

AESSEAL plc is a 100% owned subsidiary of AES Engineering Limited. It has over 500 employees working across 7 sites in the UK and Austria. It has an annual turnover of £71 million (year end 31 December 2023).

OUR POLICY

Within the present financial year, AES Engineering Limited has used its Modern Slavery & Human Trafficking Policy ("the Policy") to assist in ensuring that no Modern Slavery takes place in any part of our organisation or supply chain.

AES Engineering Limited implements a zero tolerance position on violations of anti-human trafficking and anti-modern slavery laws. If we find breaches of these laws within our supply chain, we will look to support companies in their efforts to comply with the legislation.

The Compliance Committee has the delegated authority and responsibility of AES Engineering Limited for the prevention, deterrence and detection of unethical practices within our organisation. Responsibility for the Modern Slavery Policy lies with the Compliance Committee. All reports of actual or suspected breaches of the Policy are reported to and investigated by the Compliance Committee.

SUPPLIER ADHERENCE TO OUR VALUES

In order to ensure that all persons within our supply chain comply with our values and zero tolerance policy on Modern Slavery, AESSEAL plc has implemented measures to assess and monitor our supplier's conduct in respect of Modern Slavery.

AESSEAL plc has taken steps to include specific prohibitions against the use of Modern Slavery in our contracting process in our Standard Terms of Purchase which were rolled out to all subsidiary companies within the AES Group. There is a specific provision included to ensure that our suppliers are adhering to the Modern Slavery Act 2015 and all statements within this Statement. We expect our suppliers to comply with those prohibitions and hold their own suppliers to the same high standards.

AESSEAL plc proactively tackled modern slavery risks by conducting a comprehensive supply chain audit covering 80% of its procurement spend through its top 30 suppliers. This audit, coupled with the implementation of a robust anti-slavery policy focusing on due diligence, supplier engagement, and grievance mechanisms, demonstrates AESSEAL's commitment to ethical sourcing. Moreover, the company has released training for all appropriate UK employees on modern slavery through an interactive module. We continue to be diligent when onboarding new suppliers and request audits to be completed prior to permanent supply to the business.

Recognizing the potential vulnerabilities in certain supplier locations, AESSEAL has prioritised in-person audits in China for 2024, alongside additional training for global colleagues, to actively mitigate these risks. Through collaboration with industry partners and ongoing evaluation of its practices, AESSEAL aspires to be a leader in ethical supply chains and combat modern slavery throughout its global network. As well as this we will release a training module on the same interactive platform for our global team.

TRAINING

In order to ensure a proper understanding of the risks posed by Modern Slavery in the context of our organisation and supply chain, representatives of both AES Engineering Limited and AESSEAL plc intend to provide training to employees of the AES Group as appropriate.

We want to help our people to understand more about this growing issue and how to report any suspicions they may have, whether in a business or personal context. We will be highlighting the www.modernslavery.co.uk site to all our employees, which holds useful information on how to recognise different types of slavery, how to spot the signs and provides details of telephone helplines. We will be developing resources and we will make them available to all our employees including links to the www.modernslavery.co.uk website and the Modern Slavery Act.

REPORTING

We already have in place a whistleblowing hotline to report knowledge or suspicion. This ensures that anyone who has concerns will have means of raising their concerns confidentially. Our hotline is available to report any suspicions our employees may have regarding Modern Slavery and our employees will be signposted to this in any resources that we develop in relation to Modern Slavery.

CONTACT

Questions and comments regarding this statement are welcomed and should be addressed to enquiries@aes seal.com

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A handwritten signature in black ink, appearing to read 'S. Shaw'.

SIGNATURE OF Stephen Shaw, Group Engineering Director
Head of Compliance Committee