

# Modern Slavery Act Transparency Statement

## Introduction

This statement is made in accordance with section 54 of the Modern Slavery Act 2015 and sets out the measures Thomas Swan & Co. Ltd. has taken to ensure compliance with the above Act.

Thomas Swan & Co. Ltd. is committed to ensuring that all its business operations are free from involvement with slavery or human trafficking. With sustainability firmly embedded in our company's culture and strategy, we strive to continually improve in this important area.

## Thomas Swan company vision and strategy

### Our Purpose

To inspire and deliver creative and sustainable chemistry.

### Our Vision

To become a medium-sized, pioneering, globally recognised, sustainable manufacturer of speciality chemicals.

### Our Mission

We will invest in sustainable, innovative technologies and practices, our people and operational excellence to deliver growth in strategically targeted markets together with exceptional customer service.

## Our Values

### Integrity

We always strive to do the right thing

### Teamwork

We are more successful by working together

### Respect

We treat everyone with respect

### Innovation

We have the courage to pursue new ideas

### Excellence

We strive for excellence in everything we do

### Ownership

We take the initiative

# Strategic Priorities

**Business Development**

**Sustainability**

**Excellence Through Continuous Development**

**People Development**

## Company structure and business operations

Founded in 1926, Thomas Swan & Co. Ltd. is a UK-based independent manufacturer of performance and speciality chemicals. The company turned over £37 million in 2019/20, has approximately 170 employees and is organised into three divisions: Performance Chemicals, Custom Manufacture and Advanced Materials. The company's products are sold into the following global market sectors: tyres and rubber, personal care and hygiene, inks and coatings and speciality chemicals.

## Supply chains

Offices in the UK, USA and China allow the company to reach a global market. Supply chain and logistics are mostly managed centrally from the UK, with the majority of supplies sourced from Europe.

In keeping with the company's commitment to sustainability, Thomas Swan appointed EcoVadis to independently assess the company's performance in this area. The company achieved platinum status in 2020 with a score of 73%, which places Thomas Swan in the top 1% of all companies assessed by EcoVadis.

During 2019/20, Thomas Swan expanded its use of EcoVadis to further assess the sustainability performance of its supply chain in order to encourage its suppliers to adopt more sustainable practices. All suppliers of raw materials and packaging to Thomas Swan were asked to join EcoVadis, if they had not already done so, and connect with us to make their sustainable procurement performance visible to Thomas Swan. A total of 17 of the 20 contacted cooperated with this request.

Furthermore, a new Sustainable Procurement Policy has been adopted by the company and shared with all our suppliers.

## Our policies in relation to slavery and human trafficking

Thomas Swan operates in accordance with strong values, as shown above. These values, such as 'Integrity', are built into the culture of the company and drive us to ensure that our supply chain is free from any instances of slavery or human trafficking.

Policies already in place include the following:

- Modern Slavery Policy
- Anti-Corruption and Bribery Policy
- Fair Competition Policy
- The ETI (Ethical Trading Initiative) Policy
- Equal Opportunities Policy
- Sustainable Procurement Policy

## Due diligence

The company carries out an annual sustainability audit as part of the due diligence process.

An assessment of current procurement patterns shows that over 80% of raw materials are sourced from the UK or the EU.

UK sourced: 60%

EU: 20%

China: 12%

India: 6%

Israel: 2%

Key suppliers to Thomas Swan are audited to assess their compliance with our requirements, including those in China and India. This enables the company to trade with these particular suppliers with confidence.

The company's ongoing investment in the EcoVadis sustainable procurement platform should help secure further improvements in our supply chain. This system will help us to ensure our suppliers are aware of slavery and human trafficking in their own supply chains and drive improvements where necessary.

In 2021, EcoVadis carried out a Sustainable Procurement Maturity review. This assessed the company's systems and procedures and provided a set of recommendations, which should enable improvements to be made in this area.

## Products

Data compiled and published by the Walk Free Foundation<sup>1</sup> was used to assess the potential impact of Thomas Swan products in terms of modern slavery. The Walk Free Foundation used their data to produce an overall rating for each country based on the prevalence of modern slavery, the vulnerability of those involved and the government response. It was found that approximately 70% of Thomas Swan products are sold in countries rated by the Walk Free Foundation in the top two groups (A and BBB\*). Around 92.5% of company products were sold in group A or B countries (including BBB, BB and B). Thomas Swan sold no products into the countries in either of the lowest two categories, C or D.

In addition to this, only 16% of the tonnage produced by Thomas Swan was marketed in non-OECD countries in 2020.

## Identification of a risk of slavery or human trafficking in the supply chain

No instances of slavery or human trafficking are known in our supply chain. If any arise from the assessment currently under way by EcoVadis, these will be investigated and handled appropriately at the time with a zero-tolerance approach.

## Measuring the effectiveness of systems in place

The company's annual sustainability audit will include an assessment of the effectiveness of the EcoVadis system in detecting potential slavery or human trafficking.

The EcoVadis supplier CSR assessment covers Labour and Human Rights as one of the four key themes in its methodology. This evaluates policies and actions implemented by suppliers to enforce compliance with internationally recognised human rights standards and frameworks related to slavery and human trafficking. Suppliers provide information regarding their policies and actions through sector specific questionnaires, which cover human rights due diligence and certification schemes used to verify that products are manufactured under fair labour practices. EcoVadis questionnaires also ask suppliers to disclose information about their sustainable procurement

selection criteria, third party audits and supplier capacity building, thus providing buyers with higher visibility of their upstream suppliers' efforts to prevent slavery and human trafficking.

The EcoVadis scorecard will identify when companies get a low score on the Labour & Human Rights theme. If corrective actions are not implemented, proportionate actions will be considered against those suppliers on an individual basis. In the case of very low scores or if the supplier is unwilling to engage in improvements, termination of the commercial relationship may result.

## Training

Training on the subject of slavery and human trafficking will be provided to all relevant employees. The Modern Slavery Policy has been publicised and made available to all employees.

## Approval

This Modern Slavery Act Transparency Statement was approved by the Chemical Business Board of Thomas Swan & Co. Ltd. and signed by the Chief Executive Officer, Mr. Harry Swan.

A handwritten signature in black ink, appearing to read 'Harry Swan', with a horizontal line extending to the right.

Harry Swan  
CEO

27<sup>th</sup> August 2021

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<sup>i</sup> Global Slavery Index 2018 Dataset, Walk Free, available from: [www.globalslaveryindex.org](http://www.globalslaveryindex.org) . Data used with the permission of the Walk Free Foundation and in accordance with their terms of their Terms and Conditions.