



Modern Slavery Statement 2023

Introduction

Rotork plc, and its subsidiary companies (together, "Rotork" and throughout this Statement "our" and "we"), recognise their responsibilities as a global engineering group, to ensure that slavery and human trafficking is not occurring in any part of our business or supply chain. Until such time as these risks have been eradicated globally, we are committed to working with our partners, suppliers and other interested parties to identify and mitigate modern slavery risks within our operations, business and our supply chain.

This Statement sets out the steps we have taken during the financial year ended 31 December 2023 to ensure slavery and human trafficking is not taking place in our businesses or our supply chain. It is intended to provide an update on our progress with strengthening our modern slavery risk management framework and explains the steps we aim to take in the coming year.

Our Business and Supply Chain

Our business

Rotork is a market-leading global provider of mission-critical intelligent flow control and instrumentation solutions for oil & gas, water and wastewater, power, chemical process, and industrial applications. We help customers around the world improve efficiency, reduce emissions, minimise their environmental impact and assure safety.

We are headquartered in Bath, United Kingdom with 17 manufacturing facilities, 66 network offices and serve over 170 countries through a global service network. We have a workforce of about 3,300 employees.

Our supply chain

Rotork's manufacturing processes are primarily assembly of purchased components, with some machining of metallic products, including late customisation to meet customer requirements.

Our Procurement and Global Supply Chain (GSC) teams co-ordinate commodity specific strategies and bring consistency to our Supplier Relationship Management processes with the goal of transitioning to a supply base that enables us to be responsive to our customers while reducing our inventories and meeting high ethical and technical standards.

In 2023, we engaged with around 5,500 suppliers and spent around £240m GBP with external material suppliers. Of those approximately 75% are domestic suppliers and 25% supply to our sites internationally.

Our Values and Policies

Rotork has earned a reputation for integrity, fair dealing, and ethical behaviour. We are determined to preserve that reputation and ensure that, wherever we do business or operate around the world, we exert a positive influence.

Our Values – Stronger Together, Always Innovating and Trusted Partner – define the way we work. Our Values were chosen by our people and apply to everyone across our global operations. We seek to safeguard and promote these attributes, which are deeply rooted in our culture.

Our Values are embedded in our **Code of Conduct**, which was launched in 2019 and is available in our core languages. We expect everyone working for us, and with us, to follow the Code and act with integrity at all times. It includes guidance on the identification of potential modern slavery risks and empowers employees to “Speak Up” if they identify any area of concern, including concerns relating to potential modern slavery risks.

Our **Modern Slavery Policy** reflects our commitment to implementing and enforcing effective systems and controls. The policy applies to all employees, is available on our intranet and is translated into our core languages. To raise awareness, it outlines key indicators of modern slavery and higher risk activities, such as in our supply chains and outsourced activities, and recruitment through staffing agencies. The policy also contains key performance indicators to assess the effectiveness of our control measures.

Rotork has an open and transparent culture underpinned by our **Speak Up Policy**. The policy encourages colleagues to report suspected wrongdoing as soon as possible and without fear of detrimental treatment as a result of raising a concern. We encourage colleagues to contact their line managers, or our Group HR Director or Group General Counsel & Company Secretary. We also offer an independent, global, and multi-lingual external reporting service managed by Safecall. This service allows concerns to be raised anonymously if preferred. It is available to employees, external stakeholders (such as suppliers) and the public and is operated 24 hours a day, 7 days a week. Reports can be made to a local freephone number or submitted via Safecall’s website. All reports we receive are dealt with efficiently, effectively, and consistently.

Our Speak Up poster is exhibited in all our offices and facilities and highlights modern slavery as a specific area of concern to look out for and report.

Our mandatory **compliance certification process**, launched every year in January, requires all Rotork employees and contractors to confirm that they have adhered to our Code of Conduct and Compliance policies during the preceding year (including our Modern Slavery Policy), and have completed all mandatory training.

Our standard contract terms require our suppliers to adhere to our Supplier Code of Conduct. The Code sets out our zero tolerance policy on compulsory or forced labour, or any other form of slavery or servitude. It requires our suppliers to meet minimum standards in relation to human rights, anti-bribery and corruption, employment practices, health and safety and the environment. Our suppliers are periodically asked to review and confirm compliance with the Code and their responses verified as part of our audit programme (described below). The Code also sets out our expectation that suppliers will work diligently to ensure that their own supply chains meet similar standards.

Assessment and Management of Modern Slavery Risk

Our operations

In 2023, the end to Covid-19 as a public health emergency, and the resultant removal of travel restrictions, enabled our directors and other senior managers to visit more locations around the world. During these visits they remained alert to indications of any risk of modern slavery and human trafficking.

Our supply chain

We conduct **risk assessments** on our suppliers to determine their risk category, and consequently, the appropriate level of due diligence and continuous monitoring to be applied. Our risk-based supplier assessment model uses open-source indices provided by credible organisations such as UNICEF, International Labour Organisation and Transparency International to differentiate risk by country. The model covers human freedom, prevalence of child labour, bribery and corruption, and health and safety. During 2023, we added a commodity based factor to further differentiate risk within country, dependent on the product or service provided.

Our supplier **selection and approval procedures** consider several risk areas, including modern slavery, and human rights issues more generally. Information is initially gathered through the completion of a self-assessment questionnaire. Among other things, this questionnaire requires the supplier to confirm whether they are familiar with our Supplier Code of Conduct and have relevant policies of their own in place, and includes questions about their workforce, and how they ensure certain standards are met in relation to their workers. Additionally, we ask our key suppliers to provide more detailed information, to understand more specifically the measures these suppliers have implemented to prevent modern slavery. Where appropriate, the selection process may involve a site visit.

As part of the review and ongoing monitoring of our supplier relationships, we continue to assess the slavery and human trafficking risks arising from relationships through regular as well as incident-driven supplier audits. We identify appropriate steps to address any risks identified. Such steps may include placing appropriate contractual obligations on suppliers, working with the supplier to make improvements, or ceasing to work with a supplier altogether.

Throughout the year, our Procurement team conduct site visits (qualifying new suppliers or re-evaluating existing suppliers) as well as remote reviews for assessment or re-evaluation. Further visits are conducted locally by the factory-based teams. In 2023, none of these site visits or remote reviews identified modern slavery concerns.

In 2023, we commenced an **ESG 'deep dive' project**, designed to further scrutinise our suppliers conduct in this area. An important part of this project is to identify whether compulsory or forced labour, or any other form of slavery or servitude is occurring, and to address any concerns that might be identified.

The project covers suppliers with an annual spend of over £5,000 GBP per annum. This consists of approximately 2,500 suppliers and accounts for around 98.5% of our total spend. Suppliers are risk rated, according to various factors including the country, commodity or service provided, nature of the organisation and the type of relationship that we have with them.

A targeted assessment document is sent for completion by the supplier. Where applicable, the supplier must provide documentation to evidence their response. High risk and certain medium risk suppliers are then audited on-site for verification purposes. The project is initially focussing on Malaysia, Mexico, Thailand and the Middle East. During 2024 it is planned to complete the work in these locations, before moving on to focus on additional higher risk countries in 2025. Any modern slavery concerns identified will be addressed appropriately.

Staffing agencies

Our use of staffing agencies increases the risk that Rotork could be unknowingly exposed to modern slavery risks. To address this, clauses on modern slavery and adherence to our Supplier Code of Conduct have been included in our staffing agency contracts and only those who have signed these terms can be used to source temporary staff.

Key Performance Indicators

We have developed key performance indicators (KPIs), to monitor the risk-based actions we are taking and assess the effectiveness of our modern slavery-related control measures. The KPIs are reviewed annually and updated as appropriate.

Training and Awareness

To ensure a high level of understanding of the risks of modern slavery and human trafficking in our supply chains and our business, we provide regular training to our staff.

Employee training and awareness is one of the core elements of our Compliance programme and continued to be an area of significant focus in 2023. In 2023 we continued to leverage our Learning Management System (“LMS”) which gives us the flexibility to deliver a range of legal compliance training content to employees and provides full auditability.

Having introduced a mandatory online course on modern slavery in 2022, all employees hired after the original launch date have been required to take the course during 2023. The course is part of the mandatory induction programme for all new hires with access to the LMS. The course is designed to build knowledge of, and capability to manage, risks and covers:

- What modern slavery is, its forms and key indicators;
- How to identify and respond to modern slavery risks;
- Key risk areas; and
- How to report concerns.

The course also provides targeted content for directors and our Procurement and Human Resources functions who require specialised knowledge.

In July 2023, we marked ‘World Day Against Trafficking in Persons’ with a global communication and article, serving to highlight the extent of human trafficking and forced labour, the harm it causes, and the importance of remaining alert and pro-actively raising concerns. Colleagues were invited to watch a video, ‘*Supporting Human Rights: The Ethical and Legal Choice*’, which was made available in our core languages and addressed some of the warning signs, particularly within a company’s supply chain.

Effectiveness, Progress and Year Ahead

We recognise the need to remain alert to modern slavery and human trafficking risks. We continue to engage in online monitoring, business reviews and audits of our suppliers as appropriate.

In 2024, we will continue to work towards improvement of the measures we already have in place to identify and address modern slavery and human trafficking risks. Actions we aim to take in 2024 include:

- Delivery of bespoke training to relevant Rotork employees, on the Supplier Code of Conduct and monitoring supplier compliance;
- Continued inclusion of our Modern Slavery, Code of Conduct and “Raising Concerns” online modules as part of our new hire training programme;
- Continuation of annual confirmation declarations from all employees for adherence to the Code of Conduct and associated policies, including the Modern Slavery policy;
- Continued enhancement of our supplier risk analysis to the extent necessary;
- Maintaining our supplier site audit programme as part of initial onboarding, periodic re-evaluation or where the need for an audit is identified through supplier risk analysis;
- Continuation of our ESG focussed ‘deep dive’ project; and
- Ongoing monitoring of KPIs

The Modern Slavery Act

This statement is made on behalf of Rotork plc and its subsidiary companies, including Rotork Controls Limited and Rotork UK Limited, under s54(1) of the Modern Slavery Act 2015.

This statement has been approved by the boards of Rotork plc, Rotork Controls Limited and Rotork UK Limited.



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Kiet Huynh
Chief Executive Officer
March 2024