



Modern Slavery Statement 2022

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 2022 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 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, 63 network offices and serve over 170 countries through a global service network. We have a workforce of about 3,200 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.

We engaged with more than 6,000 suppliers and spent around £250m with external material suppliers in 2022. Of those around 75% are domestic suppliers and 25% supply to our sites internationally.

Engaging with our suppliers

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.

Our supplier selection and approval procedures consider several criteria, including Environmental, Social and Governance (ESG) pre-requisites, financial stability, supply chain and logistics, quality

assurance, technical capability, and self-driven continuous improvement. The ESG elements include questions on child labour, modern slavery, bribery and corruption, and discrimination. We require our suppliers to meet applicable legal requirements for Health, Safety and Environment. If appropriate, the selection process may involve a site visit.

Our standard contract terms require our suppliers to adhere to our **Supplier Code of Conduct**. This makes clear that our suppliers, and anyone working on their behalf, must never use compulsory or forced labour, or any other form of slavery or servitude. It also sets out our expectation that they will work diligently to ensure that their own supply chains do not use such practices. Our Supplier Code of Conduct also 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.

In 2022, we updated our Supplier Code of Conduct and took this opportunity to provide more detailed information regarding our expectations of suppliers in relation to human rights.

As part of the review and ongoing development of our supplier relationships, we continue to assess the slavery and human trafficking risks arising from relationships and 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/ corrective action plans, or ceasing to work with a supplier entirely.

Our Values, Policies and Programme

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** applies to all employees, is available on our intranet and translated into our core languages. To raise employee awareness, it outlines key indicators of modern slavery and higher risk activity such as in our supply chains and outsourced activities, suppliers located in higher risk jurisdictions 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.

During the year, we ensured that all our offices and facilities were exhibiting the most recent version of our Speak Up poster, which highlights modern slavery as a specific area of concern to look out for and report.

In January 2022, we introduced a mandatory compliance certification process, whereby all Rotork employees and contractors must confirm annually, 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.

Assessment of Modern Slavery Risk

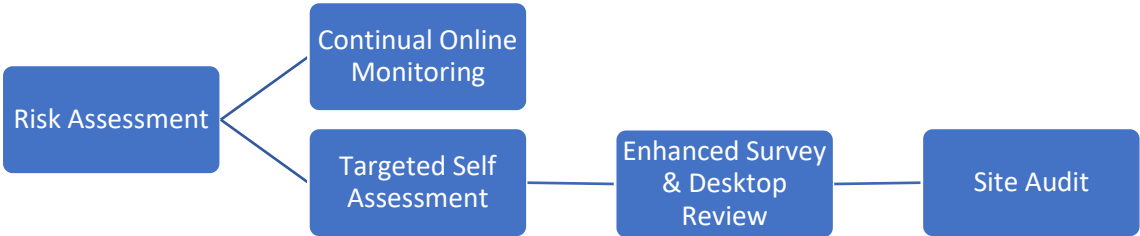
Our operations

During 2022, the reduction in Covid-19 pandemic travel restrictions in many regions enabled our directors and other senior managers to visit more locations around the world than during the preceding two years. During these visits they remained alert to indications of any risk of modern slavery and human trafficking.

Our supply chain

Our supply chain risk analysis is made up of a number of elements as follows:

Supply Chain Risk Analysis Method



Risk Assessment:

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.

Targeted Self-Assessment:

In 2022, approximately 900 of our suppliers were asked to complete our ESG 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. The collection and collation of responses to these questionnaires is automated, to support effective oversight and management. We take a risk-based approach to following up with our suppliers based on their responses. In 2022, no modern slavery incidents were substantiated.

Additionally, we asked a proportion of our key suppliers to complete a more detailed “Vendor Approval Questionnaire”, to understand more specifically the measures these suppliers have implemented to prevent modern slavery.

Desktop Reviews and Site Audits:

During the year, our Procurement team conducted 28 site visits (qualifying new suppliers or re-evaluating existing suppliers) and 5 remote reviews for assessment or re-evaluation. Further visits were conducted locally by the factory-based teams. None of these site visits or remote reviews identified modern slavery concerns.

Continual Online Monitoring:

We use an independent intelligence provider to alert us to and help us understand any risks associated with new suppliers as well as to monitor our existing suppliers.

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.

Training and Awareness

Employee training and awareness is one of the core elements of our Compliance programme and continued to be an area of significant focus in 2022. In 2022 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.

An online course on modern slavery was rolled out in the first quarter of 2022 to build knowledge of, and capability to manage risks. The training was mandatory for all employees with access to the LMS and covered:

- 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 provided targeted content for directors and our Procurement and Human Resources functions who require specialised knowledge.

Colleagues who undertake supplier audits also completed tailored training in 2021, delivered by the Procurement team in conjunction with Slave-Free Alliance.

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 where these are appropriate.

Our Modern Slavery Policy has a range of key performance indicators (“KPIs”) to monitor the risk-based actions we take to mitigate risk and to assess the effectiveness of our control measures. We review the KPIs annually to ensure they remain relevant and appropriate.

In 2023, 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 2023 include:

- Delivery of bespoke training to relevant Rotork employees, on the Supplier Code of Conduct and monitoring supplier compliance;
- Continued inclusion of our Code of Conduct and “Raising Concerns” online modules as part of our new hire training programme;
- Deployment of our Modern Slavery online course to recent joiners and to new hires;
- Continuation of on-line Annual Adherence declarations for the Code of Conduct and associated policies including the Modern Slavery policy;
- Continued enhancement of our supplier risk analysis to the extent necessary; and
- 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.
- 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 2023