

MODERN SLAVERY AND HUMAN TRAFFICKING STATEMENT – 2023

Introduction

Modern slavery is a crime that can lead to an abhorrent abuse of human rights. The UK government has taken steps to tackle modern slavery by the introduction of the Modern Slavery Act 2015 (the “Act”). The Act identifies modern slavery by reference to the offences of ‘slavery, servitude and forced or compulsory labour’ and ‘human trafficking’.

A key provision of the Act requires certain businesses to produce a statement setting out the steps they have taken to ensure there is no modern slavery in their business or supply chains.

One way to achieve this is to increase transparency in those supply chains. This will ensure the public, customers, employees, stakeholders, and investors understand what steps an organisation is taking to tackle modern slavery. Endress + Hauser Limited (“Endress + Hauser”) are proud of the way we conduct our business, and we are committed to meeting our ethical and social responsibilities. Our corporate culture is vested in behaving ethically and we welcome the opportunity to set out in this statement the actions we take to tackle modern slavery. We recognise this to be an ongoing process and will continue to work with customers and suppliers alike to tackle the problem of modern slavery wherever we can.

The Endress + Hauser Group

Endress + Hauser is a UK based sales centre that is part of a global process automation and engineering group. The Endress + Hauser Group is headquartered in Switzerland and remains privately owned by the Endress family. This means we have a unique culture which is referred to in detail below.

The Group specialises in the design, manufacture, supply, installation and servicing of process control systems and instrumentation to a range of sectors including oil and gas, technology, energy, food and beverages and life sciences. It consists of a network of over 100 companies in 44 countries around the world. In the UK alone we generate net sales of over £50 million.

Our Values and Culture

We believe that family-owned businesses are different. We rely on robust values and follow clear principles. This attitude has grown into a unique corporate culture. That culture has a clear focus on behaving ethically and responsibly. Our values are set out clearly on our website and can be found here:

<http://www.uk.endress.com/en/Endress-Hauser-group/endresshauser-at-a-glance/culture-values/vision-mission>

We are very proud of our culture and encourage our customers and suppliers to familiarise themselves with the approach we take. We believe our values are aligned with the underlying aims, objectives, and principles of the Act.

The majority of the instruments and products we supply are manufactured and sourced from our own European based production centres. They have the same commitment to our culture and values as we do in the UK.

Where we engage with third party suppliers, we expect the same high standards of behaviour from them as we do from ourselves. Before we engage in business with a third party, they must go through a selection process and be accepted as an Approved Supplier, Service Provider and/or Approved Contractor for Endress + Hauser. This gives us comfort that our suppliers meet the standards we expect.

The steps we have recently taken to prevent modern slavery within our business and supply chains

- Our supplier selection process was reviewed considering the Act. Our process now involves making very specific enquires of our suppliers in respect of the ethical standards of behaviour we expect. This process is reviewed periodically to ensure it is robust and fit for purpose.
- Suppliers are specifically asked to confirm that they themselves comply with the Act as do any third parties employed by them to meet our requirements. If they cannot give us that assurance, we will not work with them.
- Our standard contractual terms of purchase and supply have also been reviewed and amended in light of the Act. We have introduced contractual obligations that reflect the requirements of the Act across our suite of standard terms and ensure they are dealt with in bespoke contractual documents. Again, this is an ongoing process, and our terms are reviewed annually.

Endress + Hauser Code of Conduct

- All of our colleagues undertake training on the Endress + Hauser Code of Conduct to ensure understanding of our code across the business, and at all levels. The Code of Conduct was updated and approved by our Executive and Supervisory Board in 2022. It implements a new whistleblowing system where our colleagues can raise any concerns about modern slavery anonymously which is accessible here on our website.

<https://endresshumanrights.integrityline.com/frontpage>

- The Code of Conduct is wide ranging, in relation to Modern Slavery it states the following:
- We protect our associates from unfair and unethical working conditions.
- We do not tolerate bonded, forced or child labour or any unsafe working conditions.
- We ban products and services resulting from bonded, forced or child labour or unsafe working conditions.
- We make sure that any activities within our sphere of influence do not negatively impact fundamental human rights as set out by the United Nations Universal Declaration of Human Rights, the OECD Guidelines for Multinational Enterprises the core conventions of the labour standards of the International Labour Organization as well as the United Nations Guiding Principles on Business and Human Rights, Sustainability and Environment.

The Code of Conduct forms the basis of our Business Ethics Policy in the UK. A copy can be found on our website here: <https://www.uk.endress.com/en/legal-information-uk/business-ethics-policy-uk>

EcoVadis accreditation

In 2022, Endress+Hauser maintained our commitment with EcoVadis as 'Platinum' top 1% of companies regarding our approach to corporate social responsibility development. Endress+Hauser is among the top one percent of all suppliers assessed by EcoVadis in the corresponding comparison group. The Group received a score of 80/100 in relation to labour and human rights – a score of which we are proud but can also be improved upon. This theme considers human rights issues such as child labour and modern slavery. The report acknowledges that our Group has issued a formal comprehensive policy that integrates commitments, qualitative and quantitative objectives on labour and human rights issues in our operations.

Continuing Improvement

Our aims for 2023 and beyond are as follows:

1. Continue to work closely with our group associated production centres to increase due diligence further down our supply chains.
2. To deliver training to every employee on the impact of Modern Slavery and our responsibilities as a business to combat it wherever we can. This training on our code of conduct is now mandatory for all employees.
3. The revised Code of Conduct has a strong emphasis on the importance of speaking up and reporting any concerns. Again, the importance of the role our colleagues must play in combating modern slavery will be highlighted over the year with increased visibility given to the importance of speaking up in the event of any cause for concern.
4. We will proactively monitor the websites of our suppliers to satisfy ourselves they are compliant with the legislation and challenge those that are not.
5. Further focus on ESG issues, including Modern Slavery, will be driven across the organisation.
6. Further enhance our due diligence processes to identify and mitigate modern slavery risks.

Training

All our employees are aware of our Code of Conduct and the values under which the Group operates. New starters receive a cultural induction from a senior member of the Endress family so that they will understand our expectations.

Conclusion

We encourage our customers, suppliers, and contractors to be vigilant and raise any concerns they have about unethical conduct. By working together, we can make a real impact on eradicating modern slavery.

Iain Cropper

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Iain Cropper
Managing Director
4th July 2023