

Modern Slavery Statement 2024 - 2025

The Modern Slavery Act 2015 requires all UK businesses with a total annual global turnover of £36m or more to produce a slavery and human trafficking statement each financial year.

Modern slavery is a term which encompasses slavery, servitude and forced or compulsory labour. Human trafficking is defined as arranging or facilitating the travel of another person with a view to that person being exploited.

This statement sets out the steps that Watco UK Ltd has taken during the financial year 2021-2022 to ensure that modern slavery and human trafficking is not occurring within the organisation or in its supply chains.

Organisation Structure & Supply Chains

Watco UK Ltd is a manufacturer & supplier of specialty coatings, sealants and building materials in the building & construction sector. We are a part of the RPM Consumer Group, and our ultimate parent company is RPM International Inc. RPM International Inc has its head office in Medina, Ohio, United States, with over 15,000 employees worldwide and operates in 170 countries.

Watco UK Ltd is committed to preventing slavery and human trafficking in its corporate activities, and to ensuring that its supply chains, including those of its sub-contractors and partners, are also free from slavery and human trafficking.

Watco UK Ltd acknowledges its responsibility to the Modern Slavery Act 2015 and the requirement to ensure transparency within the organisation and with their suppliers of goods and services.

All Sub-Contractors, vendors & service providers also have an obligation to comply with the Watco UK Ltd Anti-Slavery and Human Trafficking Policy (the "Policy").

Policies in relation to slavery and human trafficking

Watco UK Ltd Directors and senior management take responsibility for implementing this Policy statement, its objectives and shall provide adequate resources (including training) and investment to ensure that slavery and human trafficking is not taking place within the organisation or its supply chains.

This Policy statement will be reviewed annually, updated as appropriate, and published.

The following policies exist within the business that further reinforce Watco UK Ltd's position on modern slavery & human trafficking:

- Supplier/Procurement Code of Conduct
- Applicator & Distributor Code of Conduct
- Anti-Corruption & Bribery Policy
- Hotline and Non-retaliation Policy
- Third Party Due Diligence Policy
- RPM's Values & Expectations of 168
- Equal Employment Opportunities Policy

Due Diligence Processes

The organisation carries out due diligence processes to ensure slavery and/or human trafficking does not take place in its organisation or supply chains, including conducting a review of its suppliers in line with ISO9001, as well as performing due diligence on all third party vendors. The organisation has not, to its knowledge, conducted any business with any other organisation which has violated modern slavery laws.

Imported goods from sources outside the UK and EU have additional procedures and controls in place to ensure these sources are continually monitored for compliance. Watco UK Ltd will not support or deal with any business knowingly involved in slavery or human trafficking of any kind.

In accordance with section 54(4) of the Modern Slavery Act 2015, the organisation has taken the following steps to ensure compliance with the provisions of the Act:

- Risk Assessments: performed by RPM International Inc. on request of any RPM affiliate;
- Investigations/due diligence: to identify and assess the potential risks in the supply chain, performed by Watco UK Ltd/ RPM International Inc Legal and Compliance teams or by individual departments;
- Risk Planning: creating action plans to address risk of modern slavery;
- Review of Supplier Contracts: review of the organisations purchasing policy to identify opportunities to mitigate or reduce any risks of modern slavery;
- Third Party Due Diligence: As part of Watco UK Ltd's due diligence, the supplier approval process will incorporate a review of the controls undertaken by all suppliers relating to slavery and human trafficking (see comment above re: ISO9001).

In addition, the Watco UK Ltd Hotline and Non-retaliation Policy encourages all its employees, customers, and other business partners to report any concerns relating to the direct activities of its organisation or its supply chain without any retaliation, which includes the reporting of any circumstances that may give rise to a risk of slavery or human trafficking. The Hotline and Non-retaliation Policy is designed to make it easy for employees to make disclosures without fear of retaliation.

Watco UK Ltd endeavours to carry-out its own recruitment activities and/or to only use reputable employment agencies to source labour and complete appropriate background checks. Personnel responsible for the recruitment activities in any of Watco UK Ltd's business divisions are advised to adhere to this Policy by ensuring that strict verification of the potential employee's right to work is carried-out before any offer of employment is made.

Watco UK Ltd expects its subsidiaries, sub-contractors, and supply chain vendors to adhere to recruitment practices that ensure employment is voluntary. Where necessary and if required, demonstration of compliance with this Policy may be requested.

Risk assessment and management

As part of our initiative to identify and mitigate risk, Watco UK Ltd has systems in place to:

- Identify and assess potential risk areas in the Watco UK Ltd's supply chains.
- Mitigate the risk of slavery and human trafficking occurring in Watco UK Ltd's supply chains.
- Monitor potential risk areas in Watco UK Ltd's supply chains.
- Protect employees who report instances of modern slavery in line with the Hotline and Non- retaliation Policy.

All processes, procedures & system are reviewed and approved annually by senior management as part of Watco UK Ltd's on-going commitment to the Modern Slavery Act 2015.

KPI's to measure effectiveness of steps taken

The following key performance indicators (KPIs) are used to measure effectiveness in ensuring that slavery and human trafficking is not taking place in any part of the business or its supply chains:

- Requirement for all departmental managers, HR professionals and relevant purchasing and supply chain employees to complete annual training on modern slavery Regulations.
- Periodic reviews of existing supply chains, whereby the organisation evaluates existing suppliers through continuous monitoring, in line with the Watco UK Ltd third party due diligence policy.
- Periodic business reviews including sourcing of raw materials and third- party supplier contracts.

Training on modern slavery and trafficking

To ensure a high level of understanding of the risk of modern slavery and human trafficking in Watco UK Ltd supply chains and business, training will be provided to all employees. Watco UK Ltd also requires its partners to provide training to their staff, suppliers and service providers, in their respective supply chain.

This statement and accompanying policies are made available to all employees when joining Watco UK Ltd. Any changes are communicated across Watco UK Ltd and training provided if required.

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes our Watco UK Ltd slavery and human trafficking statement.

Signed:



Date: 30th January 2025