



Modern Slavery and Human Trafficking Statement | 2021

We, Crestchic PLC, are committed to improving our practices to combat slavery and human trafficking in our business and supply chain. We have prepared this statement pursuant to section 54(1) of the Modern Slavery Act 2015.

Organisation structure

Crestchic PLC is a public limited company listed on the AIM Stock Exchange. It is the parent company of the Crestchic group which operates through a number of subsidiaries worldwide in the UK, Belgium, Germany, France, the United States, Dubai, Singapore and China. The group headquarters are located in Burton on Trent in England. The group has over 100 employees worldwide.

For the financial year which ended on 31 December 2021, our group annual turnover was £38.8m, some of which related to the Tasman Oil Tools rental side of our business ('Tasman'). We decided to sell Tasman to enable the group to focus on growing Crestchic. The majority of Tasman was divested in the first half of 2022 and the remainder will be sold shortly. This statement will, therefore, focus solely on Crestchic.

Our business

We design, manufacture, sell and hire loadbanks and transformers to domestic and international customers all around the world. Our business is in the electrical engineering sector.

Our products are used to assure reliability for generators and distributors of power for industries critically dependent on uninterrupted power to ensure business continuity in the event of a failure of their primary power supply. We also commission power generation in remote sites where mining and drilling is used to extract natural resources, such as oil and gas.

The customers who we supply operate in many industries. We categorise our customers into five main sectors: marine, extraction, energy transition (moving from coal and oil-based energy towards cleaner and renewable energy), data centres and critical infrastructure (such as healthcare, telecommunications, and transport).

Our business divisions in each geographical area are split into i) manufacturing and sales and ii) rental.

Our supply chains

Our main supply chain relates to the products that we manufacture, sell and hire. This includes approximately 400 suppliers, around 10 of which are critical to our business as they provide us with the key components required to build our equipment. These components consist of enclosures, elements, reactors and fans.

Most of our suppliers are based in the UK. However, we also purchase goods from suppliers in Germany, Portugal, Italy, China and the Middle East.

Our policies on slavery and human trafficking

We have a Modern Slavery (Human Rights) Policy ('Modern Slavery Policy') that underpins our commitment to ensure that there is no modern slavery or human trafficking in our supply chains or in any part of our business. Our Modern Slavery Policy reflects our commitment to acting ethically and with integrity in all our business relationships and to implementing and enforcing effective systems and controls to ensure slavery and human trafficking is not taking place anywhere in our supply chains. We periodically review and update our policies.

Due diligence processes for slavery and human trafficking

We do not believe that our business represents a high risk for modern slavery – this is because we are not active in the highest risk industries (such as those dealing with consumer items and agricultural commodities), and the majority of our suppliers are based in the UK, which is a low-risk country for modern slavery. However, we cannot rule out the risk entirely. We believe that the main modern slavery risk in our supply chain relates to when we (or our immediate suppliers) purchase components which have been manufactured in countries where there is a higher risk of forced or child labour, judged by reference to the Global Slavery Index, such as China.

We acknowledge that we will need to undertake the significant task of mapping our supply chain when we have the necessary staffing resources to properly assess, monitor (and where necessary mitigate) the modern slavery risks in our supply chain. We will prioritise the higher risk areas first.

Our effectiveness in combating slavery and human trafficking

We are on the start of our journey in taking steps to ensure that slavery and human trafficking are not present in our business or supply chains and each year we will build on this.

Previous steps

The steps which we have already taken to try and combat slavery and human trafficking in our own business include:

- *Ensuring all our employees have the right to work (by checking right to work documents, visas and passports);*
- *We only use reputable employment agencies to source labour;*

- *We insist that employment agencies we use for both temporary and permanent workers enter into agreements which place obligations on those agencies to apply with all applicable laws including modern slavery legislation, provide us with their modern slavery policy (where applicable) and carry out appropriate checks on workers;*
- *We do not employ individuals that would be considered to be 'child workers'; and*
- *We have implemented the Modern Slavery Policy.*

We have not yet taken any steps to try and ensure there is no slavery or human trafficking present in our supply chains.

Further steps

We intend to take the following steps in 2022 to try and combat slavery and human trafficking in our supply chains by:

- Introducing staff training on modern slavery;*
- Placing a worker exploitation poster on our employee noticeboards;*
- Implementing a Global Supplier Code of Conduct;*
- Amending our standard customer and supplier terms and conditions to include modern slavery obligations; and*
- Amending our supplier audit questionnaire to include modern slavery compliance.*

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes our Group's slavery and human trafficking statement, for the financial year ending 31 December 2021. This statement was approved by the Board of Directors on 9 June 2022.

Signed

Judith Aldersey-Williams.....**Director**

.....**24 June 2022**.....**Date**