

MODERN SLAVERY & HUMAN TRAFFICKING STATEMENT 2025



This Modern Slavery and Human Trafficking Statement is made by Hill & Smith PLC (“Hill & Smith” or the “Group”), on behalf of all companies within its group (‘H&S/H&S Group’)¹, pursuant to s.54 of the Modern Slavery Act 2015 (‘MSA 2015’). This statement describes the steps that H&S has taken in the financial year ending 31 December 2024, towards seeking to ensure that slavery and human trafficking is not taking place in its operations or its supply chains.

Hill & Smith has a zero-tolerance approach to the fundamental violation of an individual’s basic human rights that modern slavery and human trafficking represents. We expect the same high standards from our suppliers. We are committed to acting ethically and with integrity in all our business relationships and to implementing and enforcing effective systems to prevent slavery and human trafficking in our corporate activities. We will not knowingly trade with companies that have been shown to employ or utilise slavery or servitude, forced and compulsory labour, child labour or are complicit in human trafficking activities.

Group Structure, Business and Supply Chains

Hill & Smith is an international group providing sustainable infrastructure and safe transport solutions. Supplying to and located in global markets, we serve customers from facilities in India, the UK, and the USA. We employ approximately 4,500 people worldwide and, in the period covered by this statement, we had annual revenues of £855.1m. Hill & Smith PLC is listed on the London Stock Exchange’s Main Market and you can find out more about the products and services we provide at: <http://www.hsgroup.com>.

Due to the varied nature of our manufactured products and markets served, we have a complex and geographically diverse range of suppliers. However, our main supply chains are in respect of the supply of raw materials (e.g., steel, zinc and FRP resins), metallic components and other services that support our international operations.

Risk Assessment

Our Modern Slavery risk assessment recognises the potential high risk of modern slavery in our Indian operations (2% Group revenue), in the supply of our groupwide flexible work force, the sourcing of lower-cost materials from India and China and the supply of construction-based raw materials. Recognising this risk, we maintain a focus on these areas in our annual audit programme and have not identified any of the ‘red flags’ associated with modern slavery.

Indian Operations: We have a subsidiary manufacturing facility in India which operates in a regulated work environment serving end markets which are themselves highly regulated. Our Indian operation holds all necessary state and central licences and permits required to operate a manufacturing facility and is regularly audited by local authorities to ensure that the facility meets the requisite standards to

¹ including Hill & Smith Infrastructure Ltd and Joseph Ash Ltd.

continue to operate. All staff have identity and age checks undertaken prior to commencing employment and original identity documents are only used for this purpose. The terms of employment for our Indian employees grant rights for them to cease employment at will, subject to reasonable contractual notice being served.

The Supply of a Flexible Work Force: A number of our subsidiaries periodically employ temporary workers during peak periods of demand or in order to address specific short-term skill set shortages. To the extent that recruitment agents are used to source such labour, they are regularly vetted, and only reputable agents engaged. Right to work, age and identity checks are undertaken, and contracts allow such workers to cease employment at will, subject to contractual notices being served.

Lower-Cost Sourcing: A small number of our subsidiaries source componentry and raw materials from both India and China. In addition to our subsidiaries following the Group Supply Chain Policy, in-country, on-site audits have been undertaken in relation to a number of these suppliers. We believe that these audits help us identify any risks of modern slavery within this part of our supply chain. Such suppliers are also subject to performance evaluations at regular intervals.

The Supply of Construction and Major Raw Materials: Some of our subsidiaries do business with the construction sector and traceability of raw materials in this sector is known to be challenging. We also import metals and resins to use in our operations. We monitor the countries that provide us with these types of materials and compare them with the Global Slavery Index (<https://www.walkfree.org/global-slavery-index/>).

Taking these findings into account alongside our existing policies (as described below), we feel that the risk of modern slavery occurring within these four areas is low.

Organisational safeguards

We have a number of compliance controls to help combat modern slavery and human trafficking within our organisation. The Board has nominated the Group Company Secretary to oversee compliance.

Group Modern Slavery Policy: The policy sets out our approach, outlines the steps being taken to prevent and detect modern slavery, identifies red-flag warnings in respect of the signals of modern slavery and publicises the formal reporting mechanisms available to persons who suspect that modern slavery is occurring in our operations or supply chain.

Code of Business Conduct ('CoBC'): Our companies are committed to maintaining high standards of ethics and integrity in the conduct of their business activities. To the extent practicable, we have deployed UK ethical standards in our international operations. The CoBC reflects our zero-tolerance stance to modern slavery and human trafficking, re-emphasizing our position on respecting all individuals' basic human rights. We are committed to compliance with all applicable wage and working-time laws and the right of employees to participate in collective bargaining. It is mandatory for all employees and those engaged by the Group to adhere to the CoBC.

Group Supply Chain Policy: Our companies are committed to having appropriate systems in place to ensure that our supply chains comply with, or exceed, our required standards in respect to human rights, working conditions and the environment. This policy is periodically reviewed and updated to reflect best practice and ensure it is relevant, workable and user friendly. Compliance by our companies with this policy is subject to internal audit review and assessment.

Whistleblowing Policy & Hotline: Our Whistleblowing Policy describes the mechanism for reporting of unlawful or unethical activity, including matters related to modern slavery and human trafficking. The Speak Up hotline is an externally hosted service to ensure that matters can be raised anonymously, where the reporter feels unable to report matters directly to management. The profile of the whistleblowing mechanism as a method of reporting wrongdoing has been raised throughout 2024 through Groupwide training and a poster campaign. This has successfully increased the number of reports that are being received. Despite this, no modern slavery or human trafficking matters have been raised during the 12-month period to 31 December 2024.

Acquisition Integration: New business acquisitions are subject to an integration plan that contain several actions to integrate the organisational and supply chain safeguards including adoption of relevant policies, due diligence of suppliers & customers, employee training, whistleblowing hotline rollout and circulation of the CoBC.

Supply Chain Safeguards

Group Supply Chain Policy: Our Group Supply Chain Policy promotes robust supplier selection, effective due diligence, commercial best practice and annual review. Key suppliers (defined as suppliers who provide or perform an essential function, service, product or component, or who could not be easily replaced) are required to describe their own supply chain due diligence, furnish copies of their own modern slavery statements (if applicable), and provide an assessment of the modern slavery risk in the sector in which they operate. Our belief is that this approach increases transparency within our supply chains, and suppliers who do not meet the requirements of the Supply Chain Policy will not become or continue to be regarded as H&S Approved Suppliers.

Standard Contractual Commitments: Our standard purchasing contracts require our suppliers to comply with our policies in respect of modern slavery. Violations of these commitments serve as grounds for contract termination. The duties include a requirement to certify annually that the supplier adheres to our compliance policies, including our Group Modern Slavery Policy and Group Supply Chain Policies.

Commercial Intermediaries Policy: All commercial intermediaries are required to undergo continual due diligence and monitoring using both sanctioned party screening and annual compliance certification.

Training and Guidance

Board and Senior Management Training: The Board of Hill & Smith PLC reviews its Modern Slavery policy on an annual basis and receives updates on our work monitoring the likelihood of modern slavery occurring. In addition, through our risk assessment work, senior managers continued to be engaged and upskilled in this area.

Groupwide Training: In the statement released last year, we gave an undertaking to ensure all our employees understood the red flags associated with modern slavery and the actions they should take should they suspect its existence in our supply chain. To this end, we provided refocussed Modern Slavery Training with a new updated course and training provider during the year, either via our new online compliance training platform, or through access to information materials. During the year, over 1,700 colleagues completed the online training course. We are committed to ensuring that all colleagues required to perform the training, do so and completion rates are monitored centrally and via the line managerial route.

Human Resources Guidance: In general, and taking into account our policies outlined above, we consider that our permanent workforce is unlikely to be, or to become, victims of modern slavery or human trafficking but we are nonetheless alert to the possibility. We recognise that modern slavery can happen anywhere.

We are cognisant of the fact that victims of modern slavery and human trafficking are likely to be living in circumstances of fear and, therefore, may not actively seek help. HR professionals are trained in the key red-flag behavioural warnings known to be exhibited by victims of modern slavery and human trafficking to enable victims to be more easily identified and assisted. No modern slavery or human trafficking matters were raised within our businesses in 2024.

Effectiveness of Procedures

We have a zero-tolerance approach to the existence of modern slavery and human trafficking in our supply chain. Through the steps we are taking as outlined above and the annual confirmation from our subsidiaries that they have applied our Modern Slavery Policy and that the Group Company Secretary has been informed of any suspected or actual violations of the policy, we believe that the risk of exposure to modern slavery or human trafficking is low.

However, we continue to take steps to ensure that customers and suppliers conform to the Group's Code of Business Conduct and Modern Slavery Policy and in 2025 we will continue to roll out more focussed training and review our policy and procedures based on an updated risk assessment. The Board is committed to opposing modern slavery in all forms and hereby approves this statement.

Approved by the Board of Directors on 6 March 2025
and signed on its behalf by

A handwritten signature in black ink, appearing to be 'Rutger Helbing', with a long horizontal line extending to the right.

Rutger Helbing
Chief Executive Officer