

Modern slavery statement 2024

June 2024

This statement is made pursuant to Section 54 of the Modern Slavery Act 2015.

Enhesa is a trusted partner to drive the transformation of compliance and sustainability.

We're top solutions coming together as the leading provider of regulatory and sustainability intelligence worldwide. An integrated global business on a mission to make a difference – and to empower you to make our world a more sustainable place.

Enhesa Group N. V. (hereinafter, “Enhesa”) respects and promotes human rights, and through its business and operations, seeks to actively contribute to a more prosperous, equitable and fair society.

This statement covers the activities of the whole Enhesa Group, for the financial year running from January 2023 to December 2023.

Our organization's structure, business, and supply chain

Enhesa Group comprises Enhesa N. V., which is the parent company of Enhesa Inc. in the US, Enhesa Kabushiki Kaisha in Japan, Enhesa (Shanghai) co. (China) Ltd., and CW Research Limited in England.

Enhesa Inc. has as subsidiaries Scivera LLC, Timberlake Ventures Inc., and Reg Scan LLC. Enhesa, N.V. has an office in Belgium and a branch in Portugal. Enhesa Inc. has offices in the US and one in Canada.

Our core activities are providing intelligence to multinationals and enabling them to be compliant no matter how simple or complex their operations. We enable them with intelligence for their operations, products, processes, and chemicals management across the globe.

Enhesa's solutions include EHS intelligence, Product intelligence, Sustainable Chemistry, and Corporate Sustainability. These help companies address regulatory and sustainability challenges in a global landscape. Regscan by Enhesa provides a vast regulatory library for compliance programs for mid-market companies in the US.

Our expertise means that we can guide organizations through the ever-changing landscape of operational compliance, product regulations, and chemical sustainability so you can ensure the safety of your employees, consumers, communities, and the environment.

In this context, Enhesa's supply chain is conformed by service suppliers and some goods suppliers. Specially subcontractors in the case of service suppliers.



Our journey and policies

Since Enhesa as a group has become closer and more integrated, in 2023, we issued the following policies related to respecting Human Rights and to prevent any modern slavery issues. Modern slavery understood as the recruitment, movement, harbouring or receiving of children, women or men through the use of force, coercion, abuse of vulnerability, deception or other means for the purpose of exploitation:

- **Human Rights Policy:** applicable to all Enhesa Group and through its business operations. The policy is based on international instruments, such as the Guiding Principles for Business and Human Rights: Implementing the United Nations “Protect, Respect and Remedy” Framework (UN) and the Forced Labor Convention (International Labor Organization - ILO)
- **Sustainability and ESG Policy:** Which outlines our commitment to the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct
- **Sustainable Procurement Policy:** Which enables buyers within the Enhesa Group to select suppliers which are aligned with our values and commitments such as respecting human rights, good labour practices, and not tolerating any form of modern slavery. This policy also provides the basis for buyers to conduct reasonable due diligence
- **Recruitment Policy:** which respects human rights of candidates and also prohibits recruiting any person below the legal age to work
- **Global Whistleblowing Procedure:** which allows any employee and stakeholder of Enhesa group to raise concerns, such as human rights violations

Knowing our value chain and the most vulnerable parts presenting higher risks and Enhesa’s response

Enhesa’s supply chain is conformed by service and good suppliers.

We understand that there are sectors and countries with a higher risk of exposure than those where we operate Belgium, Canada, China, Japan, Portugal, UK, and US. Even if we operate in countries and a sector with lower risk, according to the Global Slavery Index (<https://www.walkfree.org/global-slavery-index/>), we acknowledge we also have a part to play.

According to the Human Rights Guidance tool for investment, the services sector comprising professional services has a wide variety of risks. The main risks can include low wages and long hours; substantial use of migrant workers; trafficking of workers, especially women and children, who are then forced to work.

As part of our actions, we make use of different sources to understand the risks and be able to identify prevent, mitigate, and provide remedy where possible.



Enhesa has developed the Sustainable Procurement Practice Policy which enables Enhesa to conduct **due diligence** on (tier 1) suppliers by searching in the *Database of specific instances* from the Organisation for Economic Co-operation and Development (OECD) for any pending instance for failing to conduct responsible business in accordance with the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct by the supplier. We understand this is the beginning of a continuous improvement.

It is important to acknowledge that the due diligence has to be proportional to the business, operational context, and sector and that is Enhesa approach as explained in this section.

Our performance indicators and their effectiveness

There are three main actions conducted for year 2023 and its key performance indicators:

- keeping track of incidents or complaints of modern slavery following the issuance of Enhesa's Whistleblowing procedure (KPI: number of incidents or complaints of modern slavery)
- conducting a vendor analysis for Y2023 to understand our tier 1 suppliers and whether they are in area of modern slavery prevalence (KPI: vendor analysis for Y2023)
- keeping track of the number of vendors listed with an instance in the Database of specific instances of the OECD (KPI: number of vendors listed with an instance)

Keeping track of incidents or complaints of modern slavery following the issuance of Enhesa's Whistleblowing procedure

With the issuance of the Whistleblowing procedure Enhesa has put at disposal of any person the contact numbers to report in case of serious concern related to human rights violations (including modern slavery).

For the year 2023, no case of modern slavery has been registered.

Conducting a vendor analysis for Y2023 to understand our tier 1 suppliers and whether they are in area of modern slavery prevalence (KPI: vendor analysis for Y2023)

We have conducted a vendor analysis for the year 2023. We looked at the transactions in 2023 per vendor, and we used the vendor location to determine the prevalence based on the Global Slavery Index for 2023.

The results show that

- Enhesa suppliers' (those with more transactions) are located in countries with low prevalence of modern slavery.
- Very few transactions with countries with higher prevalence rate. The transactions in countries with high prevalence were analyzed further and the transaction is related to individuals lending their professional services to Enhesa or to a subscription to the official journal (e.g. UAE [1 transaction]). This is expected due to the nature of our activities, we used professional services and we also contract subscriptions to official journals in order to develop the content for our customers.



Keeping track of the number of vendors listed with an instance in the Database of specific instances of the OECD (KPI: number of vendors listed with an instance)

Lastly, the Sustainable Procurement Policy and its mechanism to conduct reasonable and proportionate due diligence has allowed us to check new vendors (new vendors are those registered within our internal service from 1 June to 31 December 2023) to see if they are subject to a specific instance in the *Database of specific instances* from the Organization for Economic Co-operation and Development (OECD). None of the vendors checked has a instance in the mentioned database.

The reason for tracking this is to identify vendors with a specific instance (a non-observance of the OECD Guidelines which includes respect to human rights) and determine the next steps to have meaningful engagement with vendors in such cases.

Next steps

In the coming years, we are planning to:

- provide training on human rights and modern slavery;
- include clauses in our contracts across our value chain;
- collecting the number of suppliers that have controls in place; and
- strengthen our due diligence across our value chain.

Peter Schramme

