

MODERN SLAVERY STATEMENT

FINANCIAL YEAR 2022

Approved by: Guy Wakeley CEO
Date reviewed: 08/08/2023

Reconomy
Group



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RECONOMY GROUP MODERN SLAVERY STATEMENT 2022

1. Organisation structure, sectors, and supply chain

Reconomy started out as an outsourced waste and resource management provider in the UK in 1994, helping businesses through a value-added approach that implemented best practice, on-site segregation and high recycling rates. However, as the world has changed, so have we. Constantly focusing on the needs of our customers, and staying ahead of the services they will require, has seen Reconomy transform into a global group offering comprehensive solutions to leading brands across the world that want to adopt circular economy approaches and improve their ESG outcomes.

Reconomy Group has grown significantly over the past 12 months now employing over 3,000 colleagues. The Reconomy Group turnover is over £1.3billion, whilst individual Group brands of Reconomy, Valpak, EuroKey, Casepak, ReBound, Advanced Supply Chain Group and Novati (from July 2023), are above the £36million turnover threshold for reporting, in line with the Modern Slavery Act (2015).

Our passion, innovation and customer-focus have seen Reconomy Group grow exponentially, providing services across three verticals (Table 1) – Recycle, Comply and Re-use – with global reach (fig. 1). This puts us in a position to help even more businesses and brands across the world embrace positive change and continue to pursue our purpose of creating a truly sustainable world.

Reconomy Group		
Recycle	Comply	Reuse
<ul style="list-style-type: none"> Reconomy (UK) Ltd Advanced Waste Solutions Nationwide Services Group ACM Environmental Ltd Waste Source Ltd Eurokey G&E Smith Group (Casepak) Oceala Combinering UK Waste Solutions EcoEfficiency Webbs Training Premm 	<ul style="list-style-type: none"> Valpak Noventiz Reverse Logistics GmbH 	<ul style="list-style-type: none"> Advance Supply Chain Rebound UK Rebound Netherlands



Table 1 Reconomy Group Verticals

Figure 1 Scope of Reconomy Group operations

The International Labour Organization specifies the right of an individual to freely chose employment and defines forced labour as:

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“All work or service which is exacted from any person under the menace of any penalty and for which the said person has not offered himself voluntarily”ⁱ

They estimate that there are 27.6 million people in forced labour in the world todayⁱⁱ.

Our customers rightly demand transparency throughout their supply chains to support and reflect their ESG goals. Reconomy Group take their responsibility to eradicating incidents of modern slavery, by assessing where in the business these opportunities may arise. Reconomy Group’s key operational activities are focussed on waste brokerage, recycling facilities, compliance schemes and consultancy, logistics & warehousing, and plant, tool and equipment hire. The supply chain is made up of businesses including large multi-national organisations through to SMEs which supply services to all brands in order to keep our operations running smoothly, both directly and indirectly. Within the brand sectors the highest risks from exposure to modern slavery stem from engagement with recruitment agencies across all sectors, and supply chains within countries identified as having a higher estimated prevalence of forced labourⁱⁱⁱ. This conclusion is also based on anecdotal evidence within industry focused modern slavery working groups and analysis of evidence-based research conducted by charities in the field, including Hope for Justice, and Stronger Together.

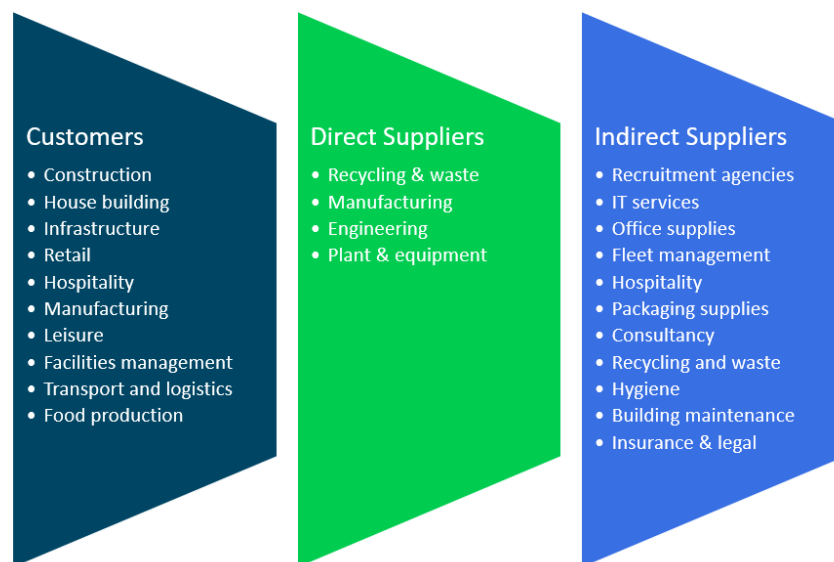


Table 2 Supply chain industry sectors

Widening the scope of risk identification, key areas for concern down the supply chain are within our third-party waste suppliers, procurement of components for vending machines, and recruitment agencies. We also acknowledge that certain Reconomy Group customers’ sectors are high risk where modern slavery is concerned and ensure collaborative working to monitor and uphold their vigilance against occurrences of forced labour.

Reconomy Group respect the International Covenant on Economic, Social and Cultural Rights. This international legal instrument ensures that everyone has the right to work in just and favourable conditions, with the right to safe working conditions. This also enshrines the right to form and join freely functioning trade unions of choice. Reconomy Group do not have a work-based union, however, acknowledge an individual's right to join a union (as demonstrated by union recognition in certain brands) and would expect their suppliers to do the same. We are also signatories to the UN Global Compact and the 10 guiding principles to ensure labour and human rights.

2. Actions in 2022

Much of the activity in 2022 has been focussed on raising awareness of the modern slavery and human rights risks in the sector and extending our network. This has included supporting the IPHR (Indirect Procurement Human Rights) Working Group and software producer Ngaje, in the development of an employee engagement tool to monitor how safe employees felt at work.

Reconomy ran a Modern Slavery and Labour Exploitation webinar, hosted by MRW, aimed at businesses in the waste industry.

2022 saw the development of a new [Waste and Recycling Modern Slavery Protocol](#) with the IPHR Working Group. The Protocol is aimed at waste and recycling companies and the businesses that use their services. As well as taking an effective role in its development, our Reconomy Group Compliance Assessors actively promote The Protocol with suppliers, and encourage them to sign up to its principles, and commit to meet the minimum requirements that aim to manage the risk of labour exploitation and modern slavery practices. The assessors signpost to the CIWM and IPHR modern slavery tool kit following every supplier visit.

Our Supply Chain Compliance Assessment was reviewed and updated to include robust questions about a supplier's activities that protect against and eradicate Modern Slavery.

3. Policies, Procedures and Guidance

As well as a specific Modern Slavery Policy, other policies, and guidance support staff to identify and proactively defend against modern slavery.

Anti-Slavery, Human Trafficking and Human Rights Policy	Reconomy Group outline the approach to tackling modern slavery and ensuring human rights are protected throughout the company's procedures and processes and how best we address it within the supply chain.
Modern Slavery Escalation Procedure	Documented procedure available to all staff to ensure they know how to raise the alert should Modern Day Slavery be suspected

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Whistleblowing Policy	Provides assurance and guidance to staff that they can report any business misconduct without risk to themselves of retribution. It specifically lists modern slavery as an aspect of misconduct.
Sustainability Supplier Charter	The charter sets out our commitments to, and expectations of our suppliers. It is given out during the onboarding process and will be re-issued after each service review. It requires suppliers to read and follow the Reconomy Group anti-slavery policy. To treat people with fairness and respect, have policies and practices in place to minimise the risk of MDS, ensure there is no unethical businesses practices operating at their business and within their supply chains.
Recruitment Policy	Reconomy Group have incorporated elements of modern-day slavery concerns within the recruitment policy to provide structure to the HR teams to ensure that modern day slavery is a key focus when employing people and, when required, whilst using employment agencies.
Modern Slavery Statements	Previously, modern slavery statements have been created independently by the Reconomy (UK) Ltd, Valpak, Eurokey and Casepak brands within the Group who have met the criteria required by the Modern Slavery Act 2015. This is the first year Reconomy Group have produced a Group wide statement.
Terms and Conditions and onboarding process	Supplier onboarding is tailored to the different types of supplier, across the Group's sectors. Modern slavery assurances feature in brands' terms and conditions and are a key part of the assessment when onboarding suppliers.
Training Policy	Training policies will refer to MDS training for all at induction, and more in-depth training for specified roles. As part of the policy, these will be refreshed annually by all staff through our e learning platforms
Social Dialogue Policy	The policy aims to promote effective communication and collaboration between management, employees

	and stakeholders, so all voices can be heard and respected, therefore creating a positive work environment.
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Overall responsibility for reviewing policies and procedures sits with the Board of Directors and Chief Executive to show full commitment and leadership within Group actions against modern slavery and human trafficking. All policies are reviewed on an annual basis, unless changes are made in the legislation, industry practices, or if an incident occurs. Under any of these circumstances, policies will be reviewed earlier.

Communication is managed through the internal marketing teams.

4. Risk Assessment

Each Reconomy Group brand, irrespective of turnover, is responsible for conducting a risk assessment to identify where hot spots for modern slavery may be in their operation or supply chain and actions to manage the risk and react where necessary. The Global Slavery Index is used, as is the latest updates on key demographics defined by the GLAA (if UK based).

To support identification, advice from the GLAA, Hope for Justice, the International Labour Organisation and relevant Government guidelines are accessed.

When visiting new or current suppliers, assessing teams have defined checklists to focus attention on issues around modern slavery, that ask probing questions to help identify concerns.

All risk assessments are reviewed on an annual basis, unless changes are made through legislation, industry practice, or an incident occurs. Under any of these circumstances, policies will be reviewed earlier.

5. Due Diligence

Reconomy Group has strong Modern Slavery governance, with new and strengthened actions being supported by the Board of Directors. A Modern Slavery Task Force (MSTF) comprised of employees from relevant departments within each company has been established. Regular meetings will be held to monitor progress against our modern slavery statement, promote good practice, share ideas and review changes in legislation. With each new acquisition, nominated individuals will be asked to join the MSTF, to ensure consistency across the Group.

Heat assessment maps are conducted throughout Reconomy Group to assess where each entity will have their highest risks. From this, a management process and action plan is drawn up to determine and prioritise the actions required with full stakeholder engagement where necessary.

Recruitment processes follow government guidelines and advice provided by Hope for Justice and Stronger Together. Reconomy Group will only work with recruitment agencies that share our commitment to the elimination of modern slavery.

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Reconomy Group have a Sustainable Procurement Policy that any colleague engaged with direct and indirect procurement are expected to adhere to.

At Reconomy (UK) Ltd, suppliers are required to sign a code of conduct and to commit to our Sustainability Code of Practice. They are given a status level of approved, preferred or complaint based on several conditions, one in which is ethical and sustainable responsibility.

Suppliers are reviewed at their premises, on a regular basis, conditional on their level of perceived risk. Risk levels are reviewed repeatedly depending on outcomes of visits, changes in legislation, business practices or length of time between previous review.

At Valpak, key suppliers have received a self-assessment form in relation to modern slavery. Any supplier failing to respond and has not had a full site audit will be contacted again. Further non-response results in an escalation to the service manager for review. The Executive Team are then responsible for either helping the supplier to comply, to cease trading, or to escalate the risk level.

To ensure customers are aware of supply chain risk, Reconomy Group expect full transparency from suppliers around any incidents of modern slavery that may occur, or they have been involved with. We aim to work with suppliers who report such incidents to help identify where gaps are to mitigate further incidents. Incidents of modern slavery are monitored via the GLAA and Govt. updates. Where an instance has gone unreported, an instant review of service provision will be triggered.

If any team member has concerns about a supplier, Reconomy Group have an escalation process that is available to all employees, specifically for reporting modern slavery. There is also the option to raise concerns through the whistleblowing procedure.

6. Training on Modern Slavery

All staff receive general modern slavery training during their induction, this extends to all agency workers. Further training is provided to specific roles (HR, procurement and supplier facing teams) where a greater level of awareness is required. Modern slavery training is refreshed annually through our inhouse e learning platform, and should training be required in 2nd language, this will be accommodated.

All employees have access to the Supply Chain Sustainability School (SCSS) for additional resources, and our suppliers also have access to this information. Supplier training is reviewed by our external assessors, and they are signposted to the SCSS where necessary.

7. Monitoring and Measuring (KPIs)

Reconomy Group have assigned KPIs across the brands to meet modern slavery obligations, monitoring outcomes, and reassessing targets and objectives annually Objectives for 2023

- Increase the number of people employed with specific responsibility to identify and manage the risk of modern slavery through the establishment of Modern Slavery Task Forces across the Group

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- Create a documented training matrix, identifying specific roles across the brands, their training requirements and refresher time frames
- Establish a tool kit of modern slavery resources to support all staff, that applies to all the sectors Reconomy Group work within, with a focus on warehousing and waste suppliers both being key high-risk areas
- Circulate the updated policy and statement to all Reconomy Group suppliers
- Begin to embed BS 25700 Organisation Response to Modern Slavery^{iv} within all company's management systems and monitor progress and results
- Review the brands' modern slavery risk assessments
- Complete annual checklists to review actions are aligned with the Group policy
- Continue to work in partnership with the Slave Free Alliance, through contributing to webinars, and attendance at working groups. Webinars to include "Policies, Procedures, and the Govt. Register" and "Risk Assessments and Due Diligence". All webinars to be communicated across the business and supply chains
- Increase collaboration with other companies and agencies to raise awareness of modern slavery
- Support Anti-Slavery Week in October 2023 with a visible campaign to increase awareness throughout the supply chain across the Group

This statement is made in accordance with Section 54(1) of the Modern Slavery Act 2015 and constitutes the Reconomy Group modern slavery statement for the financial year ending 31st December 2022. This statement has been approved by the board, who will review and update it annually.



Signed
Position **Chief Executive**
Name **Guy Wakeley**
Date

ⁱ ILO, [Forced Labour Convention](#), 1930 (No. 29)

ⁱⁱ ILO, Walk Free and The International Organization for Migration [Global Estimates of Modern Slavery: Forced Labour and Forced Marriage](#) (09/2022)

ⁱⁱⁱ Global Slavery Index <https://www.walkfree.org/>

^{iv} BSI [BS Standard 25700](#) (2022)

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