
INVICA INDUSTRIES

Modern Slavery Act 2015

Slavery and Human Trafficking Statement, Financial Year ending 31 March 2022

Invica Industries Group Limited is the holding company for the Invica group of businesses which is predominantly engaged in the manufacture, wholesale and distribution of solid fuels and the manufacture and supply of and recycling services for a wide range of activated carbons. The active trading companies (for the financial year ending March 2022) in which Invica Industries Group Limited has a majority shareholding are:

- CPL Products Limited
- Homefire Group Limited
- Homefire Ireland Limited
- SIA Wood4U
- Antraco BVBA
- Kolengroothandel Gijssen NV
- CPL Trading Limited
- CPL Industries Latvia Limited
- Carbon Link Limited
- CPL GalaQuim S.L.
- CPL Cardek (Pty) Limited
- CPL France Limited
- Walter H Feltham & Son Limited

(together the ***Invica Group***).

The Invica Group has turnover of circa £180 million and has circa 600 employees within the UK, Republic of Ireland, Spain, France, Belgium, Latvia and South Africa.

The companies which have more than £36 million of turnover within the United Kingdom are Homefire Group Limited and CPL Products Limited (with Invica Industries Limited and Invica Industries Group Limited acting as the intermediate and ultimate holding companies).

This is the eighth Slavery and Human Trafficking statement for the Invica Group as required by s.54 Modern Slavery Act 2015.

This statement will refer to the Invica Group policies and procedures that are in place across the Group and therefore relates to all subsidiaries regardless of their size; but it will in particular focus on the practices of the companies with a turnover of more than £36 million within the United Kingdom.

Business activities and supply chain of the Invica Group

The principal businesses within the Invica Group are structured around core trading divisions, each of which is considered separately below as each involves different potential issues in relation to modern slavery risks.

Solid fuel manufacture

The Invica Group manufactures solid fuel products (mainly briquettes, including more ecologically friendly briquettes that incorporate biomass) principally in the UK and the Republic of Ireland, employing workforces in both locations. It uses raw materials for this manufacturing activity, which are procured on a global basis. Its main risks in relation to modern slavery are therefore around its own workforce and the employment practices of the suppliers it purchases raw materials from.

- Workforce – the Invica Group directly employs the majority of its workforce and in doing so follows the group wide policies described in this statement. It has a relatively low reliance on flexible/temporary labour. Less than 5% of Invica Group's workforce comes from agency labour and these are sourced from reputable agencies that, to the best of the Invica Group's knowledge, operative effective systems and processes to ensure there is no slave labour or trafficking in its labour supply. Where they are required to publish them, we review the agencies' modern slavery statements and for all agencies request details of the measures they take in relation to this aspect of their recruitment.
- Raw material procurement - the raw material supply chain is relatively short given that the Invica Group is predominantly procuring commodities that are not the subject of significant processing or subsequent handling. It believes that its larger suppliers pose a low risk of modern slavery (based on their policies, procedures, operations and their own modern slavery statements). A significant number of the Invica Group's suppliers are based within the United Kingdom or elsewhere in Europe and are large corporate enterprises such as Celtic Energy and Enerco BV. Other suppliers of raw materials include organisations such as Javelin Commodities and Jera Global Markets.

Solid fuel sale and distribution

Invica sells its own solid fuel products as well as selling third party products such as logs, kindling, charcoal and similar goods. It also processes wood products itself in Latvia. The majority of the sales of these products are within the United Kingdom with additional sales in the Republic of Ireland and parts of mainland Europe.

Its approach to the risks concerning employment practices in this division are as described above and the Invica Group believes that the key risks in this business relate to its supply chain for goods manufactured by third parties, particularly in relation to smaller manufacturers of products such as charcoal in South Africa and wood products in Eastern Europe. Therefore, in addition to the general policies and approach described elsewhere in this statement, Invica Distribution is a member of SEDEX which demonstrates its commitment to ethical trading and enables the Invica Group to review the ethical trading status of current and potential suppliers to ensure that they are operating to the high standards that the Invica Group would expect.

A number of employees within Invica Group's procurement and supply chain team are trained to undertake Sedex Members Ethical Trade Audits. This enables the Invica Group to audit its suppliers to ensure compliance with the ETI Base Code. The Invica Group also utilises the knowledge and skills of third party suppliers such as SGS SA and Bureau Veritas (that undertake SMETA audits on Invica's behalf).

Activated carbon processing and supply

Invica's activated carbons business is engaged in the processing and supply of activated carbon products used in industrial processes and sells those products in the UK, mainland Europe and the USA. This business faces similar risks to those described above, as it employs a workforce in the UK and Europe and procures some of its products from overseas, including China and India.

In that procurement activity it verifies compliance with local legislation prior to approving a new supplier and also visits and audits new suppliers in all countries for evidence of compliance with

health and safety legislation and employment practices concerning child labour and those that might amount to modern slavery. It also requests evidence of appropriate levels of pay for all employees. This information is requested annually.

Its employment practices are aligned to those of the wider Invica.

Other ancillary businesses within the Invica Group

Invica is also engaged in the manufacture of refractory products in South Africa, which it supplies to customers principally in the USA and Europe. It also manufactures specialist protective bags and packaging from a location in the UK. The employment practices and policies of these businesses are also aligned to the wider Invica Group approach.

Invica Group wide policies and procedures related to slavery and human trafficking

The Invica Group has a suite of policies covering such matters as business conduct, anti-bribery and, in particular, ethical trading.

The Invica Group will not trade with any supplier which it has good reason to believe exploits people. Invica Group's ethical trading policy is clear that suppliers must comply with local laws and regulations and that its suppliers should abide by the following principles (amongst others):

- Employment is to be freely chosen – so that there is no forced or bonded labour
- There should be no use of child labour
- Working hours should not be excessive
- There should be no harsh or inhumane treatment of workers
- Workers should have the right of association and be able to join or form trade unions of their own choosing and to bargain collectively

Where appropriate, the policy is incorporated as a schedule into supply contracts or is otherwise reflected in the wording of supply agreements. Invica's wood and charcoal sourcing contracts include these ethical trading requirements.

The Invica Group Code of Conduct has been circulated to all staff and is available on the Invica intranet and makes clear the Group's commitment to ethical trading. The Code of Conduct is also supplemented by a whistle blowing helpline in the event that any employees wish to raise any concerns anonymously. There were no modern slavery related concerns raised during financial year 2021/22

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Ongoing review of modern slavery risks and issues by the Invica Group

The Invica Group recognises that ethical trading within its supply chain is an ongoing rather than static process. It has continued to strengthen its approach to, the Invica Group and in the past financial year has:

- a. Carried out an annual review of its business conduct policy so that there is an overarching policy document committing Invica to trading ethically and which has received board approval.
- b. Undertaken a director certification process so that senior leaders are required to assure the board on an annual basis that they have complied with Invica's Code of Conduct and business conduct policies (including those related to modern slavery). The certificates have been signed with no modern slavery issues identified.
- c. Continued to undertake audits of existing and potential suppliers to ensure that, so far as possible, the supply chain is trading ethically and consistent with the standards of the Invica Group;
- d. Ensured that directors remain aware of and are engaged with self-assessment processes to ensure steps to prevent slavery and human trafficking are effective; and

- e. Continued to review and assess its supply chains as the business grows and develops.
- f. Rolled out online training to all managers and individuals involved in procurement and sales in order to ensure that they have a full awareness and understanding of the risks that third parties pose to its business integrity and of the need therefore to carry out adequate due diligence on them.

This statement has been signed on behalf of the board of Invica Industries Group Limited for itself and on behalf of its subsidiaries. It will be placed on the Invica Group's main website through a link on its homepage at: <https://invicaindustries.co.uk/corporate-policies/> and on the website of Homefire Group at www.homefire.co.uk/.

Signed by Jason Sutton
Director, Invica Industries Group Limited

DATE: 1 April 2023