

MODERN SLAVERY ACT



CHAING EQUITIES LIMITED, CATHAY INVESTMENTS LIMITED, CATHAY INVESTMENTS 2 LIMITED AND SUBSIDIARIES:
MODERN SLAVERY STATEMENT FOR FINANCIAL YEAR ENDED 31 DECEMBER 2019 ISSUED PURSUANT TO SECTION
54 OF THE MODERN SLAVERY ACT 2015

INTRODUCTION

This statement sets out the Cathay Group's actions to understand all potential modern slavery risks related to its business and to put in place steps that are aimed at ensuring that there is no slavery or human trafficking in its own business and its supply chains. This statement relates to actions and activities during the financial year 1 January 2019 to 31 December 2019.

We recognise that we have a responsibility to take a robust approach to slavery and human trafficking and we continue to take our responsibility very seriously.

OUR BUSINESS, STRUCTURE AND SUPPLY CHAINS

Chaing Equities Limited, Cathay Investments Limited, Cathay Investments 2 Limited and their subsidiary undertakings (together "the Cathay Group") are a group of companies based in the UK and across Europe and trading worldwide.

The activities of the Cathay Group fall into four key areas:

- Distribution of composite materials in particular resin, fibreglass and associated products and other chemicals
- Manufacture and distribution of non woven materials for the cabling and composites industries
- Provision of third party logistics services
- Distribution of toys, stationery, greetings cards, optical equipment and anatomical models

The Cathay Group operates through subsidiaries based throughout the UK and Europe and imports and sells products globally.

The Cathay Group employs around 850 employees, all based in the UK and Europe. Additionally a number of temporary staff are taken on at peak times of the year particularly to aid in the provision of third party logistics services.

The supply chain ranges from large multinational companies to small local businesses and covers large parts of the world including the UK, Europe and the Far East.

Modern slavery is a crime and a gross violation of fundamental human rights. It takes various forms, such as slavery, servitude, forced and compulsory labour and human trafficking, all of which have in common the deprivation of a person's liberty by another in order to exploit them for personal or commercial gain. We have a zero-tolerance approach to modern slavery and we are committed to acting ethically and with integrity in all our business dealings and relationships and to implementing and enforcing effective systems and controls to ensure modern slavery is not taking place anywhere in our own business or in any of our supply chains.

OUR POLICIES

The Cathay Group has adopted various policies to identify modern slavery risks in the organisation and steps to be taken to prevent slavery and human trafficking in Cathay Group operations.

Relevant policies include:

- Anti-Slavery and Human Trafficking Policy
- Anti-Bribery and Corruption Policy
- CSR Policy
- Employee handbooks
- Recruitment policies

DUE DILIGENCE PROCESSES

We undertake due diligence when considering taking on new suppliers, and regularly review our existing suppliers. We are committed to ensuring there is transparency in our own business and in our approach to tackling modern slavery throughout our supply chains. We expect the same high standards from all of our contractors, suppliers and other business partners, and as part of our contracting processes, we aim to include specific prohibitions against the use of forced, compulsory or trafficked labour, or anyone held in slavery or servitude, whether adults or children, and we expect that our suppliers will hold their own suppliers to the same high standards.

We are committed to introducing anti slavery measures in all businesses that we acquire. Businesses within the group regularly raise discussions about modern slavery with suppliers and contractors.

We use only specified, reputable employment agencies to source labour and always verifies the practices of any new agency it is using before accepting workers from that agency.

We also carry out a spot checks of our some of existing supply chains who are randomly selected.

ASSESSING AND MANAGING RISK

We view products manufactured in China as being of high risk and in addition to the above regularly inspect suppliers to look for signs of child, prison or forced labour.

OUR EFFECTIVENESS IN ELIMINATING MODERN SLAVERY

In order to assess the effectiveness of our modern slavery measures we will be reviewing the following key performance indicators:

- Level of staff communication
- Number of slavery incidents reported in the supply chain

AWARENESS

All staff are provided with details of our anti-slavery policy, circulating regular communication, as well as putting up posters across our premises, is made to raise awareness of the issues.



Ben Chaing
Director



