

ColorMatrix Europe Limited - Modern Slavery and Human Trafficking Statement

This statement has been published in accordance with section 54(1) of the Modern Slavery Act 2015 and constitutes the second modern slavery and human trafficking statement of ColorMatrix Europe Limited (“ColorMatrix”) and covers the 2022 financial year.

Modern slavery is a crime and a 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 are committed to improving our practices to combat slavery and human trafficking.

Update on last year; Risk – Identify, Assess, Mitigate, Monitor

In our previous statements ColorMatrix committed to identifying and mitigating risk through our supply chain and improving our internal controls.

During 2022 we continued to work with our key supplies in order to clarify our expectations regarding their compliance with the Modern Slavery Act 2015 and any other applicable anti-slavery laws.

Mitigate and Monitor – With the successful rollout and implementation of Avient's new global process for monitoring and measuring our vendor's performance some impacts to our vendor's scoring were seen, including our key suppliers. This has created greater transparency and been a huge aid in the auditing of our suppliers, including their approach to improving our supplier's practices concerning modern slavery. Over the coming 12 months, we shall continue to be focused specifically for ColorMatrix Europe Ltd on covering our key vendor's performance with respect to Modern Slavery.

Organisational structure

ColorMatrix Europe Limited are global innovators in advanced colorant, additive and dosing technologies that are engineered to improve the performance, processing, aesthetics and sustainability of plastic products. Its site in Knowsley UK employs ~140 associates in manufacturing, technology, regulatory, marketing and admin with approximately 60% of sales supplying affiliates in Europe, India and China for onward sale to customers locally.

ColorMatrix Europe Limited is a wholly owned indirect subsidiary of Avient Corporation, a U.S. publicly-traded corporation listed on the New York Stock Exchange with global headquarters in Avon Lake, Ohio, United States. ColorMatrix is part of the Color, Additives and Inks segment.

Avient and its global direct and indirect subsidiaries and affiliates, including ColorMatrix (“Avient”), are intermediate suppliers of specialty polymers and related raw materials designed to meet the specifications of its manufacturing customers. Avient does not manufacture or sell totally finished articles to be sold as consumer goods. In sourcing its own raw materials and in distributing products manufactured by others, Avient is required to meet the specifications prescribed by its customers.

More information about Avient and its locations can be found on our website – www.Avient.com

Our policies on slavery and human trafficking

The Avient Code of Conduct establishes a clear set of ethical and behavioral standards for the employees of Avient for our business conduct. We strive to uphold a consistent global standard of ethical conduct, while respecting the cultures and business practices of the countries and local communities with which we interact.

Avient includes in its Code of Conduct internal accountability standards related to slavery and human trafficking to which all employees, agents and consultants are required to adhere. Avient is dedicated to improving its training programs for employees and managers with direct responsibility for supply chain management and review these, periodically, to help improve the mitigation of risk with regards to slavery and human trafficking within our supply chain.

A full copy of the Code of Conduct can be found here: <https://www.avient.com/company/policies-and-governance-0>

Training

Avient includes in its Code of Conduct internal accountability standards related to slavery and human trafficking to which all employees, agents and consultants are required to adhere. For 2022;

100% of our salaried associates completed the Code of Conduct training.

100% of new salaried staff completed the Code of Conduct as part of their on-boarding process

100% of hourly associates completed online Code of Conduct training. In addition they also completed in person training on modern slavery and trafficking.

In 2023 all staff, salaried and hourly, will complete training on modern slavery and trafficking as part of the online Code of Conduct Training.

Avient strives to uphold a consistent global standard of ethical conduct, while respecting the cultures and business practices of the countries and local communities with which we interact. If we fail to live up to these expectations, we want our associates, vendors and stakeholders to let us know. The Avient ethics hotline is available globally to make a web-based or telephonic report, with multi-language capabilities, 24 hours a day, seven days a week. Avient has a zero tolerance clause within its Code of Conduct against any type of retaliation towards employees who, in good faith, raise concerns or reports misconduct.

The hotline is operated by an external professional service company and ensures anonymity. The Corporate Ethics Officer reviews all calls to the hotline.

Supplier Due Diligence

ColorMatrix has a wide ranging supply chain that supports our European operations. Our supply base currently includes 63 suppliers: 70% located in the UK, 17% in the EU and the remaining 13% split between China, USA and India. Our total raw material and packaging spend for 2022 was ~\$22 Million.

Organisations are being challenged to operate in a more transparent fashion and are expected to disclose more information than ever before; with that in mind, ColorMatrix intends to drive greater disclosure from our suppliers in order to better understand our supply chain and to mitigate any risks related to modern slavery.

Additionally to the above, the business implemented necessary changes related to 'Brexit' and continue to highlight any areas of risk within our supply chain, processes and procedures related to this.

In the Avient Supplier Code of Conduct, which is applicable to the suppliers of ColorMatrix, Avient prescribes that its suppliers should not use slavery or human trafficking in connection with any product supplied to Avient. Avient currently does not engage in verification of its supply chains to evaluate and address risks of human trafficking and slavery, nor does it currently conduct audits of its suppliers' compliance with company standards for trafficking and slavery in supply chains. Avient currently does not require direct suppliers to certify that the materials incorporated into their product comply with the laws regarding slavery and human trafficking.

Supplier adherence to our values

We are committed to doing business the right way, including without limitation, conducting business ethically and minimizing the risk of slavery and human trafficking in our own business and in that of our suppliers as much as possible.

In order to improve our internal processes and bring ColorMatrix in line with the overall Avient system a more effective working process for identifying risk will be adopted during the coming year, which will allow us to improve the mitigation and monitoring of risk across our suppliers.

The purpose of the process will be to define how Avient identifies suppliers that are a potential risk to the overall quality management system. The procedure outlines how supplier risk is made visible and actionable through the use of the "Vendor Risk Matrix" as well as understanding the status of the suppliers' current management system.

The process will act as an architecture for Direct Material provider approval, maintenance, development, performance and assessment and will utilise spending levels, Vendor Scorecard and QMS profile to identify the risk levels for a supplier.

Risk Categories	Impact			Performance	Quality Management System	
	Spend	Volume (Lbs.)	PO's	Vendor Scorecard	Self-Assessment	ISO9001
High	≥ \$750	≥ 350k	≥ 45	< 44	Improvement	Not Certified
Medium	\$150 - \$750k	50 - 350k	15 - 44	44 - 47	Development	-
Low	< \$150	< 50k	≤ 14	≥ 48	Acceptable	Certified

Our effectiveness in combating slavery and human trafficking

In 2023 the following key performance indicators (KPIs) will be used to measure how effective we have been in ensuring that slavery and human trafficking is not taking place in any part of our business or supply chains

- 100% completion of the Code of Conduct for all associates
- Continuation with the vendor measurement process during 2023

Our on-going commitment

As part of our modern slavery strategy we will continue to monitor the progress we have made and build on our achievements and initiatives in the next financial year. Our procurement and compliance teams will continue to focus on identifying and addressing any potential risks in our supply chain and the business will continue to provide awareness and training to all of its employees.

We are committed to doing business the right way, including without limitation, conducting business ethically and to minimizing the risk of slavery and human trafficking in our own business and in that of our suppliers as much as possible

This statement is approved by ColorMatrix by its board of directors.

Zach Crawford

On behalf of the Board of Directors for ColorMatrix Europe Limited

Signature:



Date: 31st May 2023