

Introduction

This statement sets out Xtrac Ltd.'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 1st October 2025 to 30th September 2026 inclusive and is published on behalf of Xtrac Ltd. and its subsidiaries.

Xtrac Ltd. recognises it has a responsibility to take a robust approach to slavery and human trafficking and is absolutely committed to maintaining and improving systems and processes to prevent slavery and human trafficking related to our own operations and that of our supply chain.

Our Business

Xtrac is the world's leading manufacturer of motor racing and high-performance automotive transmission solutions with over 520 employees located in the UK and US. The company has its head office in the UK at Thatcham, Berkshire and regional facilities in the US located in Indianapolis, Indiana and Mooresville, North Carolina.

Our Supply Chain

Our supply chain comprises the engagement of sub-consultant together with a large number of supply partners providing both goods and services to our sites, as well as the sourcing of processes, materials and manufactured products. We play an active role in supplier development and have adopted various means to clearly communicate our expectations of our suppliers.

The relationship with many of our suppliers has been established over several years and is built upon mutually beneficial factors, where we have close links and contact with the owners or directors, typically reflecting the fact that we partner with small and medium-sized operations in the main.

As and when we appoint new contractors or suppliers, we pre-qualify any new business through a series of due diligence measures, relating to company capability, performance, market sector experience, quality and HS&E compliance together with references to establish that they are suitable.

Supply Chain Due Diligence process

As part of our initiative to become and remain world class in all we do, we strive to build long standing relationships with our suppliers, sub-consultants and subcontractors and make clear our expectations of business behaviour. We have systems in place to;

- Identify and assess potential risk areas when considering taking on new suppliers and regularly review our existing supply chains.
- Conduct supplier audits or assessments and take steps where required to improve substandard suppliers' practices, including providing advice to suppliers.
- Invoke sanctions against suppliers that fail to improve their performance in line with an action plan or seriously violate our supplier code of conduct, including the termination of the business relationship.
- Ensure they are Real Living Wage employers.

Our policies on slavery and human trafficking

We are committed to ensuring that there is no modern slavery or human trafficking in our supply chains or in any part of our business. Our Xtrac Values guide reflects our commitment to acting ethically and with integrity in all our business relationships. Our recruitment processes and practices reflect our commitment to using regulated recruitment agencies and to comply with the Immigration, Asylum and Nationality Act 2006, ensuring staff are entitled to work in the UK and not doing so illegally and under duress.

Training

We have zero tolerance to slavery and human trafficking and to maintain awareness and ensure a high level of understanding of the risks of modern slavery and human trafficking in our business this statement is available on the Intranet to all staff.

Specific training on this legislation has been given to the Procurement department. This took the form of a presentation and outlined the effects it has on Xtrac Ltd and what actions need to be carried out by this department in conjunction with the suppliers.

Awareness training was provided to all Xtrac Ltd.'s Quality Engineers in the same format as the Procurement staff and highlighted how they can work alongside the buyers during supplier visits and audits. Similar awareness training was given to all other buyers within Xtrac Ltd – these are buyers who do not work directly in the Procurement department but still have buying duties as part of their role. This awareness training used the same presentation and gave a general outline of the work to be carried out by the Procurement department. It explained that supplier auditing would be commencing and what this might mean for them.

New employees are introduced to these policies during their company induction process.

We appreciate the need to raise awareness of modern slavery issues, and this annual statement is the platform for this development.

Progress update for financial year October 2024 to September 2025

Our current position is in compliance with the UK Modern Slavery Act 2015, we acknowledge our responsibility to ensure that modern slavery, human trafficking, forced labour, and servitude are not present in our business operations or supply chain.

We hereby declare and confirm:

1. Commitment to Ethical Standards:

We are fully committed to upholding ethical standards in all business activities, including preventing modern slavery and human trafficking.

2. Due Diligence:

To detect and mitigate the dangers associated with slavery and human trafficking, we have applied rigorous due diligence throughout our supply chains. This includes assessments of suppliers, contractors, and partners.

3. Compliance Measures:

Internal policies and controls are in place to prevent slavery and trafficking, with ongoing monitoring and risk mitigation within our operations.

4. **Training & Awareness:**

Relevant employees receive training on modern slavery risks and best practices, empowering them to identify and report potential issues.

5. **Turnover Above £36 Million:**

If applicable - We understand that we are legally required under the Modern Slavery Act 2015 to produce an annual Modern Slavery Statement. We confirm that our most recent Modern Slavery Statement has been published and is available.

Next steps

Throughout the next financial year up to the period end of September 2026, we propose the following actions:

- Continue Supplier visits on both new and existing vendors and follow the relevant government guidelines which include where appropriate an audit against the questionnaire responses ensuring our supply partners evidence compliance.
- Continue to monitor KPIs for the audit results ensuring the top 80% of spending are compliant with the Act.

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes our Group's slavery and human trafficking statement for the financial year ending 2020.

Adrian Moore
Chief Executive Officer

October 2025