Prestone: Our Approach to Slavery and Human Trafficking in Supply Chains

Disclosure under California Civil Code § 1714.43 (California Transparency in Supply Chains Act of 2010).

Our position

Prestone does not tolerate forced labor, child labor, slavery or human trafficking, in our own operations or anywhere in the chain of businesses that supplies us. We comply with the laws of every country in which we operate. Where local law protects workers less than our own standards do, we expect our employees, suppliers and contractors to follow our standards.

This statement explains what we do in the five areas the Act asks about: verification, audits, supplier certification, internal accountability and training.

Our business and where the risk lies

PFX Group formulates, manufactures and distributes automotive and household fluids and related products, sold under brands such as Prestone and through retail, wholesale and industrial customers. Our supply chain includes chemicals and other raw materials, plastic and other packaging, finished goods, freight and logistics, warehousing, maintenance and contract or temporary labor.

We regard the risk of forced or child labor in our own operations as low. We hire most of our workers directly, check identity and work eligibility before employment, and require any labor-hire provider to follow the law. We see less of how our suppliers and their suppliers treat workers.

Relying on our diligence efforts as well as government and non-government sources, including U.S. government guidance on forced labor in high-risk regions and research published by the U.S. Department of Labor, and based on the industries our suppliers operate in, the category of products they supply us, and the country where the goods are made or sourced, we assess the risk of forced or child labor in our supply chains as low as well.

How we map and verify risk

As part of our supplier qualification process, we administer questionnaires to our suppliers to identify risk areas or problematic practices. Each year we also check suppliers located in higher-risk countries for warning signs, including adverse media reports.

What our suppliers promise

Our supplier terms and conditions require compliance with all labor laws that apply to the supplier, including laws on slavery and trafficking. Suppliers represent and warrant that their own supply chains do not use forced or child labor.

Suppliers must keep their own policies and diligence processes to prevent these practices in their chains. They must give us information on request, take corrective action when we ask, and accept that we may suspend or end the relationship if they do not meet these terms.

How we hold ourselves accountable

Our Code of Ethics binds every employee and addresses forced and child labor. It is supported by our Child Labour Policy, Social Compliance Policy, and Ethics Hotline Policy. We review these documents periodically to reflect changes in law and in the risks we see.

Our controls on recruitment and employment, including pre-employment identity and eligibility checks, are designed to prevent forced and child labor in our own workforce. Employees who breach these standards are subject to discipline up to dismissal. Suppliers and contractors who breach them face corrective action, suspension or termination.

Anyone, including employees, contractors, suppliers and others, can report a concern to a manager, to human resources, to the legal department, or through our independent, third-party-operated ethics hotline, which accepts anonymous reports. Hotline information is posted at our sites. Reports are reviewed under our internal procedures, and we prohibit retaliation against anyone who raises a concern in good faith.

Training

Employees and managers with direct responsibility for supply chain management, and other key employees, complete mandatory training on human rights and our Code. It covers forced and child labor, how to recognize warning signs in our operations and our suppliers' operations, how to report, and how to escalate concerns.

When we find a problem

If we find or suspect forced or child labor at a supplier, we will weigh how serious it is and how important the supplier is to our supply chain. We will give the supplier a chance to respond, and then decide whether to work with it on a time-bound improvement plan, to end the relationship, or to report the matter to the authorities where the law requires. Our terms give us the right to end relationships with suppliers who do not meet our standards.