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# *Avon Metals Ltd Statement UK Modern Slavery Act 2015*

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Part 6 of The United Kingdom Modern Slavery Act 2015 requires a commercial organisation that supplies goods or services and has a turnover not less than £36 million to prepare a slavery and human trafficking statement for each financial year of the organisation.

A slavery and human trafficking statement for a financial year is:-

- A) A statement of steps the organisation has taken during the financial year to ensure that slavery and human trafficking is not taking place –
  - a. In any of its supply chains, and
  - b. In any part of its own business, or
- B) A statement that the organisation has taken not such steps.

Avon Metals Ltd does not meet the criteria to mandate the issue of an annual statement but does have a Modern Slavery Policy in place.

## 1. About Avon Metals Ltd

**Avon Metals Ltd** is an award-winning manufacturer of aluminium alloys and a physical processor and trader of scrap Aluminium and an extensive range of other metals and alloys.

Originally established over 60 years ago, we are widely regarded as an important global trader in both on and off-exchange metals and we trade in accordance with internationally recognised specifications laid down by the LME, BMRA, MMTA, BIR and ISRI.

Avon Metals Ltd is one of only a few in the world to have gained AS9100, ISO 14001 and ISO 50001 approvals. The company holds many further customer-specific approvals as well as internationally recognised standards and merits from the likes of BAe Systems and has received 3 Queens Awards for International Trade and Sustainable Development.

We are an ethically sound, socially responsible company. Our core values are based around honesty, integrity, flexibility, reliability, financial stability and forming strategic long term relationships and partnerships with our customers and suppliers alike. Our heritage, pedigree and consistently high quality performance makes us the Number One supplier of choice to many major blue chip metal companies around the world.

**Avon Specialty Metals Ltd** is an ethically responsible specialty metals company, involved primarily in the processing and trading of the metals Tantalum, Niobium, Molybdenum, Tungsten and Rhenium in various forms. ASML also works with Nickel and Cobalt revert alloys and an extensive range of other exotic minor metals.

Avon Specialty Metals Ltd products are used by end users in the Superalloy, aerospace, power generation, tooling, powder metallurgy, petrochemical, hard metal & welding industries.

Avon Specialty Metals Ltd has been instrumental in developing non-smelter conflict free accreditation process with the internationally recognised Responsible Sourcing Initiative RMI, originally CFSI. Avon Specialty Metals Ltd has been independently audited against OECD guidelines and is listed on the RMI website as a conflict free company.

## 2. Our Supply Chain

Our operations are supported by an international supply chain for goods and services. This supply chain includes suppliers of secondary (scrap) metal, primary metal, energy, supporting materials, skilled labour and services required for our operations and the supply of a wide range of legal, technical and administrative professional services.

## 3. Company Governance and Policy

The board governs the Company and oversees our sustainability approach. The Technical and Compliance Director with the support of the company's legal counsel and external advisors assists the Board in overseeing risk control, legal and regulatory compliance, sustainability reporting and performance thereof.

The policy framework we apply to our own businesses and our supply chain is consistent with our overarching company human rights commitments to act in a manner consistent with the United Nations (UN) Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights and the UN Global Compact principles.

These human rights commitments will be reflected in our Codes of Business Conduct which is under development.

The Codes of Business Conduct will outline our commitment to uphold ethical business practices and to meet or exceed applicable legal requirements. The Codes will apply to all Avon Metals employees, directors, officers, contractors and suppliers (where under relevant contractual obligation) and controlled entities, regardless of location or role and non-controlled joint ventures and minority interests are to be encouraged to adopt similar principles and standards.

The Codes of Business Conduct will require the human rights implications of all our activities to be considered and for due diligence to be undertaken on our partners and contractors to assess their alignment with human rights. The Codes will specifically prohibit the use of suppliers who breach laws or regulations or use child or forced labour or physical punishment to discipline employees, even if allowed by local law. The Codes will require members of our workforce to report to management any evidence of child or forced labour or the inhumane treatment of employees in our operations or those linked to our Company.

## 4. Codes of Business Conduct

At the core of Avon's ethical trading practice, for all our goods and services, we engage our suppliers through a commercial framework that will be aligned with our Codes of Business Conduct which is currently under development. This will frame the daily activities and decisions of the Company and are the foundation for developing and implementing management systems at our operations (including with our suppliers) across all jurisdictions in which the Company operates. Our Requirements for Supply will set the minimum mandatory standards and business conduct requirements for all Avon Metals suppliers and will include the following:

- Child labour - Children must not be hired to work before completing their compulsory education (as determined by applicable local laws). Notwithstanding local requirements, the minimum age for entry into employment must not be younger than 15 years of age.
- Forced or compulsory labour - The supplier must affirm there is no forced, bonded or involuntary labour.
- Freedom of association - The supplier must:
  - adopt an open attitude towards the legitimate activities of trade unions;
  - allow their workers' representatives to carry out their legitimate representative functions in the workplace and not be discriminated against.

- Living wage - Wages and benefits paid for a standard working week must satisfy, at a minimum, national legal standards or local industry benchmarks, whichever is higher.  
In nation states where no minimum wage legislation exists, the supplier must seek to establish a living wage that provides an adequate standard of living for all its employees and their dependants.
- Non-discrimination and diversity - The supplier must:
  - provide a work environment in which everyone is treated fairly and cultural, ethnic, religious or other diversity factors such as gender are respected;
  - offer employment on the basis of merit;
  - not base decisions regarding employment on attributes unrelated to job performance (including but not limited to, race, colour, gender, religion, personal associations, national origin, age, disability, political beliefs, marital status, sexual orientation and family responsibilities).

Decisions relating to suppliers, customers, contractors and other stakeholders must also be based on merit.

- Workplace health and safety - The supplier must provide:
  - safe and healthy working facilities and appropriate precautionary measures to protect employees from work-related hazards and anticipated dangers in the workplace;
  - workers with regular and recorded health and safety training;
  - clean and safe accommodation that meets the basic needs of the workers (where provision is applicable).

The supplier must:

- follow all relevant legislation, regulations and directives in the countries in which the contract activities are undertaken to provide a safe and healthy workplace;
  - implement systems for the prevention of occupational injury and illness, including standards for fire safety; emergency preparedness and response plans; occupational or industrial hygiene standards; appropriate lighting and ventilation; machinery safeguarding; reporting and investigation of occupational injuries and illness; reasonable access to potable water;
  - assign responsibility for health and safety to a management representative.
- Treatment of employees - The supplier must create and maintain an environment that treats all employees with dignity and respect and must not use any threats of violence, sexual exploitation or abuse, verbal or psychological harassment or abuse.
  - Community interaction - The supplier, and in turn its employees, must treat members of the community with dignity and respect. They must not impact on the health, safety or wellbeing of members of the community by engaging in activities such as threatening behaviour, violence, sexual exploitation or abuse, verbal or psychological harassment or abuse.

Our Codes of Business Conduct will provide the framework with a view to ensuring that our suppliers comply with our values.

The requirements to be contained in the Codes of Business Conduct are not new, our current terms and conditions for Supply cover these requirements.

The contents of the Codes of Business Conduct will be progressively incorporated into the Company's supply processes. Avon Companies are required to consider risk areas relevant to the extractives sector and company supplied apparel, including forced and child labour; community health, safety and wellbeing; diversity and non-discrimination; freedom of association and collective bargaining; gender impacts; security and law enforcement; and workplace health and safety, and to assess performance against the UN Universal Declaration of Human Rights, Principles 1 and 2 of the UN Global Compact and host country legislation governing human rights issues. If risk is identified, and subsequently confirmed, that supplier will be disqualified until such time that risk is mitigated. In this way Avon Metals is adopting a Zero Tolerance Policy to Human Rights abuses.

## 5. Training

Employees are provided with awareness of these principles during their induction upon commencement with Avon, and it is a condition of employment to behave in accordance with those Principles.

## 6. Managing sustainability risk

The priority for our sustainability framework is identifying and managing material risks. Risks that are identified as material to our business are assessed with consideration of the potential health, safety, environmental, community, reputational, legal and financial impacts. Risk severity is assessed according to the most severe associated impact, which allows us to understand the potential causes and impacts in the context of business plans.

We assess supply categories according to commercial dependency and supplier risk, on a tiered approach. Engagement with each supplier is determined by the risk level and, if required, we work together to develop a plan to ensure the supplier meets our requirements throughout the relationship.

No Avon Metals supplier has been disqualified in relation to forced or compulsory labour or human trafficking. We, however, recognise the need to focus more systematically and effectively on the potential for forced or compulsory labour or human trafficking in our supply chain, and to keep our assessment of the risk profile of this issue for our business under review.

## 7. Access to remedy: reporting mechanisms

We have a complaints and grievance mechanism for people potentially impacted by its activities. These mechanisms are required to:

- be scaled to the country context, risks and adverse impacts;
- use an understandable and transparent process;
- be culturally appropriate;
- be readily accessible to all segments of the affected host communities;
- be available without retribution;
- not impede access to judicial or administrative remedies;
- acknowledge, investigate and document all complaints and grievances;
- undertake appropriate remedial actions where a complaint is legitimate;
- advise complainants of the remedial action promptly and document outcomes.

External complaints and grievances should be reported to [rmm@avonmetals.com](mailto:rmm@avonmetals.com)

## 8. Next steps

The company will continue to review company policy and practice in relation to certain key human rights issues as part of our continuous improvement ethos. This review will incorporate human rights related aspects of supply chain management to ensure consistent high performance across Avon Metals Ltd.

Richard McAlister-Martin



Technical and Compliance Director

25<sup>th</sup> March 2021.