



Modern Slavery Act Transparency Statement

Overview

The Modern Day Slavery Act came into force in March 2015 and requires organisations in the UK to report on the processes and due diligence taken to ensure that their supply chains are free from slavery. Organisations with a turnover of £36 million or more must produce and publish a slavery and human trafficking statement each financial year.

Modern Slavery

Modern slavery occurs where people are forced to illegally work against their will or human trafficking. This has become a growing issue amongst many business sectors, such as manufacturing, retail, construction and agriculture.

About AMG

AMG Aluminum UK Limited and AMG Superalloys UK Limited are UK subsidiaries of AMG Advanced Metallurgical Group N.V. ('AMG').

AMG is a global critical materials company that produces highly engineered speciality metals to many industries such as aluminium, steel, superalloys, welding and glass with over 3,000 employees worldwide. For more information please visit our global website: www.amg-nv.com

Our Policies

AMG are fully committed to human rights and expect their supply chain to meet the provisions laid out in the following company policies:

[AMG Supplier Conduct Charter](#)

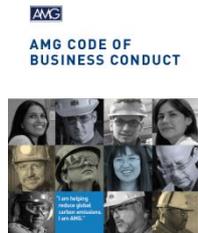
A supplier charter has been in place for the AMG group since 2013. We have started to request that the Supplier Conduct Charter is accepted by our all major suppliers.



[AMG Code of Business Conduct](#)

The AMG Code of Business Conduct, which has been in place since 2009, serves to guide the actions of all employees and is used as a tool to help employees make the right decisions and resolve ethical issues that they may encounter. The code helps employees to do the right thing and play by the rules wherever AMG operate around the world.

In order to reinforce the principles of the AMG Code of Business Conduct, employees are required to complete training on commencing employment and then on a periodic basis.



[Policy on Human Rights](#)

AMG supports and respects the protection of internationally proclaimed human rights and will work to make sure it is not complicit in human rights abuses. The key principles of the AMG Policy on Human Rights are driven by internationally accepted norms and national law.



Employment

We have a number of robust HR procedures in place to ensure that we comply with UK employment laws, including ‘right to work’ document checks, contracts of employment and ensuring compliance with national minimum wage requirements.



We offer market related pay and reward packages for the local area in which we operate, which includes pensions and additional health and welfare options to support our employees during and after their working lives.

Supply chain risk assessment

As a manufacturing company we purchase a wide range of raw materials across the world. Certain raw materials can only be sourced from a limited number of countries. Raw materials account for approximately 70% of our production costs. Our initial risk assessment has concentrated on the raw material supply chain given the quantum and the areas of the world that we are purchasing the raw materials from.

We have partnered with a UK leading supplier of environmental compliance and an international sustainability consultancy to develop an online portal. We have then selected our largest suppliers and asked them to complete a questionnaire on the online portal, which focuses on the supplier's operations, and the supplier's own due diligence process to assess areas of risk within their own supply chain. The suppliers selected represent 84% and 68% of our total purchases in 2016 at AMG Aluminum UK Limited and at AMG Superalloys UK Limited respectively.

The risk assessment has allowed us to score into high, medium and low risk categories our key suppliers. AMG will work with all priority suppliers who fall into high risk category to support development of a code of conduct, basic procedures and processes tracking slavery and payment of minimum wage.

Employee training

We want to help our employees to understand more about modern slavery and new UK legislation. In 2016 we held an education session for supply chain personnel, finance personnel, senior managers and the directors of the Company to highlight the current issues and as a company what we are doing.

Reporting concerns

To promote the reporting of violations of the Code of Business Conduct, AMG has adopted a Speakup and Reporting Policy, enabling employees to submit complaints on an anonymous basis without fear of the complaints leading to disciplinary action. The Speakup and Reporting Policy can be found on the Company website at www.amg-nv.com under the Governance Tab. The Speakup and Reporting policy is also available to report any suspicions our employees may have regarding modern slavery.

AMG also has a designated Compliance Officer for all UK sites.



Continuous Improvement

At AMG Aluminum UK Limited and AMG Superalloys UK Limited we understand that modern slavery risk is not static and we will continue our leading approach to mitigating the risk in the years ahead and strive to collaborate with our suppliers on a frequent basis to better understand their policies and processes.

In 2017 AMG are proposing to do the following:

- AMG Employees will be provided training on how to spot warning signs of modern slavery and human trafficking and how they should deal with them if they arise.
- More rigorous procedures to be implemented on the onboarding of new suppliers to include a risk assessment on modern slavery.
- Work with our existing suppliers to obtain their acceptance of our Supplier Conduct Charter.
- Periodic supplier audits will be undertaken to include modern slavery compliance, face to face meetings where appropriate.
- Closer relationship with suppliers to improve their understanding on Modern Slavery and their compliance with their local regulations and our policies on modern slavery and human rights.
- Development of key performance indicators to monitor the effectiveness in ensuring that slavery and human trafficking is not taking place in our supply chain.

A handwritten signature in black ink, appearing to read 'K Lawson', written in a cursive style.

Kevin Lawson
President - AMG Superalloys UK Limited
Managing Director - AMG Aluminum UK Limited