



Modern Slavery and Human Trafficking Statement

For the financial year ending 31 December 2020

Scope

Modern slavery is a crime and a violation of fundamental human rights and Marshall Aerospace and Defence Group has a zero-tolerance approach to this offence. We are committed to acting ethically and with integrity in all our business dealings and relationships and to ensuring that modern slavery is not taking place in our business or in our supply chain. Modern slavery takes various forms including 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 an individual for personal or commercial gain

Policy Statement

The Modern Slavery Act 2015 (the "Act") introduced changes in UK law focused on increasing transparency in supply chains. Specifically, large businesses are required to disclose the steps they have taken to ensure that their business and supply chains are free from modern slavery.

This statement sets out the steps we have and are taking to ensure that slavery and human trafficking are not taking place in any of our supply chains or businesses (in practice MADG applies these steps to all subsidiaries, including those which do not meet the Section 54 (2) threshold) and this statement is made pursuant to section 54(1) of the Act.

This statement applies specifically to Marshall Aerospace and Defence Group (Marshall ADG Ltd and its applicable subsidiary undertaking, Marshall of Cambridge Aerospace Ltd, together "MADG") as required pursuant to Section 54 (2) of the Act, collectively referred to in the remainder of this statement as MADG.

Company Structure

MADG's four operating divisions form the cornerstones of its principal activities. The operating divisions include; Military Aerospace, Advanced Composites, Land Systems and Aeropeople.

MADG's operations are global and MADG employs circa 1700 colleagues across its businesses as at the date of this statement.

Our principal suppliers provide a broad range of products and services to the group.

In addition, MADG has non-core commercial infrastructure arrangements with other suppliers that support the businesses.

MADG complies with:

- Employment laws in the UK and in every country that it operates.
- National and international laws governing supply chain management.

Policy on Modern Slavery

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. We have adopted a Modern Slavery Policy which reflects our commitment to acting ethically and with integrity in all our business relationships and to implementing and enforcing effective systems and controls to ensure slavery and human trafficking is not taking place anywhere in our supply chains.

Our zero-tolerance approach to modern slavery is communicated to all suppliers, contractors and business partners at the outset of our business relationship and reinforced as appropriate thereafter.

Employees, directors or officers of MADG who breach the policy may be subject to disciplinary action taken in accordance with our disciplinary procedure. Serious breaches may be regarded as gross misconduct and may lead to immediate dismissal further to our disciplinary procedure.

Everybody to whom the policy applies is expected to co-operate to the fullest extent possible in any investigation into suspected breaches of the policy or any related processes or procedures. The Modern Slavery Policy is reviewed by the MADG Executive Team on an annual basis. Everyone is required to avoid any activity that might lead to, or suggest, a breach of the policy.

Make your mark



The MADG Whistleblowing Policy encourages and provides for the reporting and escalation of any concerns relating to modern slavery and includes access to an independent hotline service operated by Navex Global using their EthicsPoint system, EPIM.

Due Diligence in the Supply Chain

As part of our initiative to identify and mitigate risk, we have in place systems to:

1. Monitor potential risk areas in our supply chains.
2. Undertake due diligence on our suppliers, including use of compliance tools and, where necessary, on-site audits to include a review of working conditions.
3. Incorporate contractual terms as required into supplier contracts, providing commitments in relation to modern slavery, this includes the right to terminate the contract at any time should any instances of modern slavery become known.
4. Require our suppliers to confirm that no part of their business operations contradict our policy, specifically, that:
 - They have taken steps to eradicate modern slavery within their business.
 - They hold their own suppliers to account over modern slavery.
 - They pay their employees any prevailing minimum or national living wage applicable within their country of operations.

During 2020 we began the introduction of a new ERP business system which provides improved and enhanced transparency and functionality within supply chain processes. This will continue to be rolled out across further business areas in 2021.

Risk Assessment

This policy is part of the wider approach to risk management. We continue to review and update our supply chain management processes to ensure all those in our supply chain and our contractors comply with our values and their legal obligations.

Our standard terms and conditions of trading require suppliers to comply with all applicable anti-slavery and human trafficking laws. Our key commercial supply arrangements already contain specific provisions regarding slavery and human trafficking and contractual arrangements will be updated, where necessary, upon their renewal.

Measuring Effectiveness

We have not identified any instances or indications that either slavery or human trafficking occurs in our supply chain. As such, we have not considered it necessary to adopt any formal performance indicators to measure how effective we have been to ensure that slavery and human trafficking is not taking place in any part of our business or supply chains.

Training and Awareness for Staff

Our commitment to acting ethically and with integrity is communicated to all Marshall Aerospace and Defence Group employees as part of the induction process for all individuals. Training on the risk our business faces from modern slavery in its supply chains, is provided as necessary. Our zero-tolerance approach to modern slavery is communicated to all suppliers, contractors and business partners at the outset of our business relationship with them and reinforced as appropriate thereafter.

Approval

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes our slavery and human trafficking statement for the financial year ending 31 December 2020.

This statement applies to:

- Marshall ADG Ltd
- Marshall of Cambridge Aerospace Ltd (subsidiary)

Gary Moynehan

A handwritten signature in blue ink, appearing to read 'GMoynehan'.

Chief Executive Officer

Marshall ADG Ltd
14th April 2021