



## **Victrex plc**

# **Modern Slavery and Human Trafficking Statement for the Financial Year 2016/2017**

As required by the Modern Slavery Act 2015 section 54(1) (the "Act"), this statement outlines the steps that Victrex has taken during the Financial Year ended 30 September 2017 to ensure slavery and human trafficking is not present within our supply chains or our own business. Victrex plc is making this statement on behalf of its group companies which are required to make a statement under the Act. It has been approved by the Board of Directors of Victrex plc and signed by Tim Cooper, Executive Director.

### **Our Business and Structure**

Victrex is an innovative world leader in high performance materials, serving a diverse range of markets. Every day, millions of people rely on products or applications which contain our thermoplastic polymers (plastics), from smartphones, aeroplanes and cars to oil & gas platforms and medical devices.

Our headquarters and manufacturing facilities are based in the UK and we are a major exporter (we export approximately 98% of our material from the UK), with technical and customer support facilities located across our major markets, serving more than 40 countries.

### **Supply Chain Overview**

Our supply chain is primarily focussed on the sourcing of goods, services and raw materials to support the manufacture of polyaryletherketone (PAEK) polymers, semi-finished and finished products, with over 2,000 finished product SKU's (stock keeping units). We have over 80 key suppliers based across 14 countries and a Global Procurement Function which is managed from our UK headquarters.

### **Our Policies & Procedures**

Underpinned by our Global Code of Conduct, we are committed to conducting our business ethically and with integrity and we expect our suppliers to comply with our high standards.

We have in place a Modern Slavery & Anti-Human Trafficking Policy first adopted in 2016, which was rolled out globally to all employees. The policy underpins our zero tolerance approach to slavery and human trafficking and emphasises that the prevention, detection and reporting of slavery and human trafficking that may be connected with any part of Victrex's business or supply chains is the responsibility of all those working for Victrex, or under Victrex's control. Employees are encouraged to raise any concerns to our Head of Global Supply Chain or through our usual whistleblowing process.



We have rolled out the Victrex Supplier Standards Handbook to all key raw material suppliers and during the year we have continued to cascade this across our supply base. The handbook outlines and expands upon the values core to Victrex and clearly communicates our expectations. It includes specific prohibitions against the use of forced, bonded or involuntary labour, whether adults or children, and requires suppliers to adhere to slavery and human trafficking laws. We encourage our suppliers to cascade these values through their own supply chains.

In ensuring that the Victrex supply chain is free of 'Conflict Minerals', our suppliers are expected to supply materials which are 'DRC Conflict Free'. We also have a Conflict Minerals Policy as part of our Code of Conduct and our Suppliers are expected to have policies, management systems and conduct due diligence to ensure compliance.

### **Assessment of Risk**

We continue to assess specific geographical or industrial sector risk within our supply chain and factor this in to our supplier management activities. Victrex has deployed local resource in the territory which scored highest in our risk assessment.

### **Our People - Recruitment Processes**

We have clear procedures in place designed to ensure that we comply with legal requirements in relation to the recruitment of all employees, including national minimum wage, immigration requirements and other national legislative requirements. Whilst the vast majority of our people are employees within the Victrex group, from time to time we use specialist third party services to support our requirements across a number of our professional, strategic and operational areas, either through the engagement of consultants or agency personnel. The agencies we work with are required to demonstrate to us that they have conducted our required pre-employment checks.

### **Contractual Obligations**

During the year we have adopted revised standard terms and conditions of purchase to include obligations to comply with slavery and human trafficking legislation. We include slavery and human trafficking provisions in all new contracts with our raw material suppliers, as well as requiring adherence to the Victrex Supplier Standards Handbook.

### **Due Diligence & Strategic Supplier Management**

As part of our pre-qualification procedures, suppliers of raw materials are required to complete a Supplier Readiness questionnaire to confirm that they meet our standards. During the year we have enhanced our



supplier due diligence process to include specific enquiries regarding modern slavery and human trafficking matters. Raw material suppliers are required to resubmit the questionnaire on a periodic basis.

We have a Supplier Performance Improvement Forum to enable active and on-going supplier management. This cross functional forum focuses on suppliers of strategic materials and services, implementing a risk based scorecard approach, evaluated monthly to assess performance based on key criteria, including human rights. This also drives the scheduling of supplier-based audits which we undertake on a targeted approach to risk for both new and existing suppliers

We focus on supplier monitoring and management, supported by site audits to assess compliance and outline supplier development plans as necessary.

### **Training & Awareness**

During the year, our key supplier facing employees have received modern slavery and human trafficking awareness training. In addition we have introduced mandatory annual awareness training on our Code of Conduct for all our employees globally, which includes modern slavery and conflict minerals.

### **Measuring Effectiveness**

Through our Supplier Performance Improvement Forum, which monitors our supply base performance, we have established KPIs to allow us to measure the effectiveness of our rolling supplier audit and compliance programme. During the year no flags on ethical matters (including slavery and human trafficking) have been identified.

**Tim Cooper**

**Executive Director**

**Victrex plc**

Date: 18/1/18

