

PRIMETALS TECHNOLOGIES LIMITED

MODERN SLAVERY AND HUMAN TRAFFICKING STATEMENT

This Modern Slavery and Human Trafficking statement is given by Primetals Technologies Limited (PTL) for the financial year ending 31 March 2020 pursuant to section 54 of the UK Modern Slavery Act 2015. This statement has been approved by the board of directors of PTL and is given on behalf of PTL and its subsidiary companies in the Primetals Group (Primetals).

OUR BUSINESS, STRUCTURES AND SUPPLY CHAINS

Primetals is headquartered in London, United Kingdom, and is a worldwide engineering, plant-building and lifecycle partner for the metals industry. Primetals offers a complete technology, product and service portfolio that includes integrated electric, automation and environmental solutions. This covers every step of the iron and steel production chain that extends from the raw materials to the finished product – in addition to the latest rolling solutions for the nonferrous metals sector.

Primetals is a joint venture of Mitsubishi Heavy Industries, Ltd. and partners. Primetals has around 7,000 employees worldwide.

Further details can be found on <https://www.primetals.com/>

Primetals purchases goods and services from suppliers located throughout the world in support of the group's commercial activities.

OUR POLICIES ON SLAVERY AND HUMAN TRAFFICKING

Primetals is committed to taking effective steps to assess, prevent and mitigate the risk of Modern Slavery in our operations and supply chains.

Primetals has issued a Modern Slavery Act Policy which confirms that the prevention, detection and reporting of Modern Slavery in any part of Primetals' business or supply chains is the responsibility of all those working for Primetals or under its control.

Employees are encouraged to raise concerns about any issue or suspicion of Modern Slavery in any parts of Primetals' business or supply chains at the earliest possible stage via their local manager, their local compliance manager or via Primetals' confidential whistleblower hotline "Speak Up".

It is enshrined in the policy that no one will suffer any detrimental treatment as a result of reporting in good faith their suspicion that Modern Slavery of whatever form is or may be taking place in any part of Primetals' business or in any of its supply chains.

In 2020 the policy was revised and amended with more detailed explanations regarding the different kinds of Modern Slavery. Each Primetals employee was informed about the new policy version and is therefore aware of Modern Slavery issues.

PRIMETALS' SUPPLIER CODE OF CONDUCT

Primetals aims to be transparent about the steps it takes to assess, prevent and mitigate the risk of Modern Slavery in our operations and supply chains and we expect the same of our contractors, suppliers and other business partners. Our contracting processes, therefore, require that suppliers and other

business partners comply with Primetals' Code of Conduct for Suppliers and Third-Party Intermediaries (Code of Conduct).

The Code of Conduct can be found at <https://www.primetals.com/about-us/supply-chain-management>

The Code of Conduct defines the basic requirements placed on suppliers of goods and services concerning their responsibilities towards their stakeholders and the environment (Corporate Social Responsibility) and includes prohibitions on various behaviours and employment practices.

In respect of Modern Slavery and Human Trafficking, the Code of Conduct specifically requires that suppliers and other business partners:

- ensure that there is no Modern Slavery or Human Trafficking in their businesses and supply chains; and
- have in place an appropriate anti-slavery policy which similarly reflects the commitment to acting ethically and with integrity in all business relationships.

The Code of Conduct also specifically requires that suppliers and other business partners must use reasonable efforts to promote compliance with the Code of Conduct amongst their suppliers.

DUE DILIGENCE PROCESSES

Given the fact that the highest Modern Slavery risk for Primetals exists in the supply chains, Primetals sets out several Due Diligence steps which Supply Chain Management (SCM) should follow to seek to mitigate this risk.

In 2020 these processes were revised and refined.

- Risk assessment of suppliers

Primetals distinguishes between normal and high-risk suppliers which are located in a country which has an estimated proportion of the population in Modern Slavery of 0.5% or more in accordance with the Global Slavery Index. <https://www.globallslaveryindex.org/>

- Different Due Diligence steps

Primetals established the following Due Diligence steps:

- **Compulsory actions for New Supplier Registration:**
There is for instance a requirement for the potential supplier to fill out an Assessment Template including questions regarding Modern Slavery.
- **Identification of High-Risk Suppliers and sharing the results with all local SCM employees.**
- **Monitoring for Existing Suppliers:**
Regardless whether the supplier is considered a High-Risk Supplier or not, all SCM members keep watch for any suspicions of Modern Slavery through their daily activity e.g. discussion or document survey.
- **Supplier site visit:**
During all visits to supplier's premises - independently whether that supplier is considered a High-Risk Supplier or not - all Primetals' representatives are aware of and are on the lookout for signs that workers may be victims of slavery, servitude or exploitation. In case there is evidence

of Modern Slavery indicators Primetals employees ask the suppliers special (predetermined) questions to better assess the situation.

In any case of suspicion:

- Additional clarification, meeting or supplier site visit must be done.
- Where SCM is unsure as to whether a supplier should be engaged or not, further guidance is sought from Compliance colleagues.
- All clarifications and decisions must be recorded and stored

TRAINING

To ensure that our staff understand and can identify Modern Slavery and Human Trafficking risks in our supply chains and business, we continue to develop and provide appropriate training.

In the year 2020

- all the employees who are directly dealing with suppliers in their daily business were trained by a Primetals internal training.
- a risk based selected group of employees completed – in addition to the Primetals internal training - a Modern Slavery web-based training.

OUR EFFECTIVENESS IN ELIMINATING SLAVERY AND HUMAN TRAFFICKING

During financial year 2020, Primetals will continue to review the effectiveness of the measures it takes to assess, prevent and mitigate Modern Slavery or Human Trafficking in our business and supply chains, and we will use this for a better development of our procedures and best practices.



Satoru Iijima

Chief Executive Officer
Primetals Technologies Limited