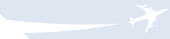


pattonair



# Modern Slavery & Human Trafficking Statement 2018

## Introduction

We are committed to improving our practices to combat slavery and human trafficking. This statement sets out our current practices as well as our aims for the future showing our commitment to supporting our stakeholders, customers, employees and our supply chain to eradicate slavery and human trafficking globally.

## Organisation structure

We are a worldwide supply chain organisation headquartered out of Derby, UK. We offer a global service that is flexible to suit the needs of each customer with unparalleled delivery levels within the aerospace sector; both civil and defence.

Our business operates across the world in multiple locations supporting a global customer base. We have circa 1000 employees that support on a 24/7 basis all year round. Our main facilities are based in the UK, US, France, Poland and Singapore.

This statement is made by Pattonair (Holdings) Limited on behalf of the entire Pattonair group (including, without limitation, Pattonair (Derby) Limited and Pattonair Limited in the UK).

## **Our business**

The supply chain we operate in mainly deals in 'C class' components. These are defined as high volume and low cost in nature. Our business model allows us to manage the supply chain for our customers because we have extensive relationships with numerous manufacturers globally, giving us access to a wide range of products. Our high quality standards and approval system allows for faster, more efficient and cost effective aerospace product distribution.

## **Our supply chain**

Our supply chain includes suppliers that we manage directly and those that we deal with on behalf of our customers. Our global spend on suppliers is over £250 million per annum. Our supply chain is complex but mainly centred in Europe and USA. We are conscious of the fact that our suppliers present the greatest potential exposure to modern slavery and we therefore have risk assessment processes in place to understand and minimise such risk.

When engaging with a supplier, we carry out appropriate due diligence, such as checking whether there have appropriate policies and procedures in place to deal with modern slavery. To improve and

formalise this process, we will be amending our new supplier assessment form to include appropriate checks on modern slavery.

We run a Gold programme for suppliers – this is for the suppliers who are strategic partners for the business and with whom the main volume of our spend is placed. Such strategic suppliers are subject to our Vendor Appraisal and Ranking (VAR) criteria. As part of this, checks are made to ensure that suppliers have policies and procedures in place to demonstrate their awareness of and compliance with modern slavery legislation.

We also intend to issue a due diligence questionnaire focussing on the issue of modern slavery. This will be issued to our Gold programme suppliers in the first instance, which will capture the vast majority of Pattonair supplier spend. This will also be sent out to suppliers in higher risk jurisdictions and those going through the new supplier assessment. The results will be analysed and an appropriate action plan developed thereafter.

Members of our strategic procurement team frequently visit suppliers. They have undergone training to make them aware of signs that they need to look out for. We are conscious that a growing number of suppliers are based in low cost regions and have made our strategic procurement staff aware of the associated risks of this.

If any supplier is unable to comply with our supplier standards, including those regarding slavery and human trafficking, we will take appropriate action. This may include the cancellation of purchase orders as well as alerting local authorities of any suspected or confirmed illegal activity.

Our policy on slavery and human trafficking

We are committed to ensuring that there is no modern slavery or human trafficking in our supply chain or in any part of our business.

In light of the obligation to report on measures to ensure that all parts of our business and supply chain are slavery free we have reviewed our workplace policies and procedures to assess their effectiveness in identifying and tackling modern slavery issues.

Our workplace policies and procedures demonstrate our commitment to acting ethically and with integrity in all our business relationships and to implementing and enforcing effective systems and controls, so that to the best of our ability, slavery and human trafficking is not taking place anywhere in our supply chain.

We have also issued our Code of Conduct to all employees and the supply chain. This makes it clear that the group will not condone the use of forced labour.

To strengthen this, we will also be putting in a place a specific Modern Slavery Policy to raise awareness of the issue across the business, educate the business on possible indicators of modern slavery and remind the business of the process for notifying concerns.

## **Training**

We have rolled out training to our strategic procurement team to raise awareness of the company's obligations under the Act and what constitutes modern slavery and to provide signs to look out for. This will be further supported by the Modern Slavery Policy. Training will be rolled out further across the company as appropriate.

Update since the 2017 Modern Slavery Statement

Training on modern slavery and the signs to look out for has been rolled out to the strategic procurement team. A Modern Slavery Policy has been drafted and a supplier due diligence questionnaire is being drafted.

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 (UK) and the Trafficking Victims Protection Act of 2000 (USA), and constitutes Pattonair's slavery and human trafficking statement for the financial year 2018.

Approved by the board of Pattonair Holdings Limited on 21 March 2019

Wayne Hollinshead

CEO



Date: 29 March 2019