

## **Anti-slavery and human trafficking statement.**

This statement sets out the steps that Xcel Aerospace Limited has taken during the financial year ending 31 December 2016 to ensure, as far as possible, that modern slavery is not taking place within its business or its supply chains.

We are committed to maintaining the highest ethical standards and to maintaining and improving policies and processes to avoid any potential complicity in human rights violations related to our operations or supply chain.

With over 35 years' experience, Xcel Aerospace's success depends on the trust and confidence of all those Xcel Aerospace comes into contact with. That trust and confidence depends on Xcel Aerospace's reputation for acting ethically, with integrity, and to the highest professional standards. Xcel Aerospace is aware of the risk that modern slavery could potentially take place within its business or supply chains and will continue to improve its policies, standards and procedures in order to counter this risk.

### **Structure and Business**

Xcel Aerospace's structure and business is set out in the annual financial statements. As a leader in delivering manufacturing excellence within the global aerospace market, Xcel Aerospace has relationships with stakeholders across the world, although its operations are based in the UK.

Given the nature of Xcel Aerospace's business, a significant proportion of its expenditure is on staff costs (30%), all of whom are located in the UK.

### **Our principles**

Our commitment to human rights, including our position on forced labour, involuntary labour, child labour and human trafficking, is outlined in our handbook factsheet, "Tackling Modern Slavery in Business and Supply Chains". Our principles related to human rights include:

- we are committed to protecting and preserving the rights of our employees, those employed in our supply chain and those affected by our operations;
- we believe that all employment should be freely chosen and commit to refrain from any form of forced or involuntary labour; and
- we are opposed to the use of any form of child labour or practices that inhibit the development of children.

### **Our Values related to slavery and human trafficking**

Our Values underpin all our company activity and they apply to all employees of Xcel Aerospace.

We set similar standards for our suppliers with our Supplier Code of Conduct. This sets out the behaviours, practices and standards we expect to see demonstrated and complied with.

### **Policies, standards and procedures**

All Xcel Aerospace employees are expected to operate in accordance with the Company's Values and supported by a Supplier Code of Conduct and whistleblowing policy.

Xcel Aerospace has policies and procedures in place to ensure compliance with UK employment law and is subject to periodic audit reviews. The Employee Council provides a regular opportunity for management and employee representatives to discuss issues raised by staff and an Employee Assistance Programme is in place. Employees are also encouraged to pass on feedback via an

anonymous annual Employee Survey. The survey produces a regular action plan for improvements which feed in to Xcel's operating and employee engagement planning.

Xcel's purchasing procedures require the procurement of all goods, services and works be based on value for money having due regard to propriety, regularity and ethical considerations. During the year, the Directors reviewed their supply chain and wrote to its main suppliers informing them of the Company's commitment to the Modern Slavery Act 2015 ("the Act") and its intention to review its current operations to assure that there are no suspect practices, to encourage our key suppliers to work with their key suppliers to identify, address and remedy modern slavery and human trafficking risks, and flow these requirements down, where appropriate to sub-tier suppliers.

If a supplier's practices are found unsatisfactory or non-conformant to our Supplier Code, we address these issues on a case-by-case basis, seeking advice from subject matter experts and legal counsel where appropriate. We are committed to working with suppliers to ensure they have appropriate ethical and responsible policies and practices in place.

#### Risk Assessment

Xcel Aerospace has on-going relationships with stakeholders across the globe. High risk areas are subject to scrutiny by the Board and supported by Internal audit. During the year, Xcel Aerospace's employment procedures and practices were reviewed and were found to be effective.

This statement was approved by the Board and signed on its behalf by

Harry Cuadrado

Director