

Chemring Group PLC

Modern Slavery Act Statement

This statement is made pursuant to section 54 of the Modern Slavery Act 2015 (the “Act”) and constitutes Chemring Group PLC’s slavery and human trafficking statement for the financial year ended 31 October 2020.

Our structure

Chemring Group PLC is the UK-based parent company of a group of companies with operations in the UK, the US, Australia and Norway (collectively “Chemring”). In the financial year ended 31 October 2020, Chemring reported annual revenue of £402.5 million. This statement covers all Chemring companies, further details of which can be found in our 2020 Annual Report and Accounts, including Roke Manor Research Limited, a qualifying subsidiary for the purposes of the Act.

Our business

The Group operates in two business sectors - Countermeasures & Energetics and Sensors & Information - addressing specific customer requirements in defence and security markets in more than fifty countries worldwide.

Our policies

Chemring is committed to conducting business responsibly and ensuring, so far as we are able, that there is no slavery or human trafficking in our supply chains or in any part of our business. Chemring expects the same high standards from all of our suppliers and we will not knowingly support and/or do business with any suppliers who are involved in slavery.

Employees

Chemring currently employs over 2,350 employees. All employees (and third parties who provide services on Chemring’s behalf) are required to comply with the Group’s Code of Conduct. Our Code of Conduct sets out the standards of behaviour we expect of all employees in delivering Chemring’s commitment to sound and ethical business conduct throughout our organisation, and in particular, stipulates that:

- we will seek to uphold all internationally recognised human rights wherever our operations are based;
- we will employ only individuals who meet the minimum legal age requirement;
- we will set employees’ working hours and pay in compliance with all applicable laws; and
- we will not engage in or support the use of forced or compulsory labour.

Suppliers

Our supply chains include suppliers of raw materials and components, sub-contractors, and providers of various services.

Chemring has adopted a Supply Chain Policy as part of our Operational Framework, which sets out the governance standards expected of all of our businesses. The Supply Chain Policy requires each of our businesses to undertake appropriate due diligence on their respective suppliers, in order to ensure that they only do business with suppliers who meet Chemring's high ethical standards. Suppliers identified as operating in potential high risk areas are subject to enhanced due diligence requirements in certain circumstances. The application of our Supply Chain Policy is monitored through our half-yearly operational assurance process.

Chemring has also adopted a Supplier Code of Conduct for issue to all suppliers. The Supplier Code of Conduct requires suppliers to adhere to our ethical business standards, and specifically addresses the requirement for undertaking business in compliance with modern slavery and human trafficking legislation. In particular, suppliers are required to:

- comply with all applicable child labour laws, and set employees' working hours and pay in accordance with local legislative requirements;
- not engage in or support the use of forced or compulsory labour;
- not procure work or service from any person under the threat of any menace;
- allow employees to leave their employment with reasonable notice; and
- not insist that employees must surrender their passport or any work permit as a condition of employment.

Suppliers are requested to share our Supplier Code of Conduct with their own employees, partners, sub-contractors and suppliers involved in the supply of goods or services to Chemring, and to request adherence to our code.

Whistleblowing

Chemring is committed to a culture where employees are encouraged to speak up without fear of reprisal. Employees, suppliers or other third parties who become aware of any issue which may breach our Code of Conduct or the Supplier Code of Conduct are encouraged to raise the matter with an appropriate member of our senior management or to report the matter using our confidential Ethics Reporting Line. There were no reports of slavery or human trafficking in 2020.

This statement was approved by the Board of Chemring Group PLC on 4 March 2021 and signed on its behalf by:



Michael Ord
Group Chief Executive