

January 2023

This Modern Slavery and Human Trafficking Statement relates to actions and activities during the financial year 1 January 2023 to 31 December 2023.

The statement sets down Ipeco Holdings Limited's commitment to preventing slavery and human trafficking in our business activities and the steps we have put in place with the aim of ensuring that there is no slavery or human trafficking in our own business and supply chains. We all have a duty to be alert to risks, however small. Staff are expected to report their concerns and management to act upon them.

This is also our fourth annual statement and it contains a summary of progress undertaken during 2020 to 2022.

### **Organisational Structure and Supply Chains**

This statement covers the business activities of Ipeco Holdings Limited, which is part of the Castledon Ltd group of companies, as well as all other companies and branches of companies in the Castledon Ltd group of companies and its subsidiaries. All references in this statement to "Ipeco" refer to Ipeco Holdings Limited as well as to all other companies and branches of companies in the Castledon Ltd group of companies. These companies include Ipeco Inc., OTM Servo Mechanism Ltd. (<https://otmservo.com/>) and hs2 Engineering GmbH (<https://hs2-engineering.de/>).

The business is headquartered in the UK and operates internationally with a variety of clients, including aircraft manufacturers and airlines. Ipeco currently has operations in the United Kingdom, China, the United States of America, Germany, Hong Kong, India, the United Arab Emirates, Brazil and Singapore. These are supported by third party representation in other countries.

Executive management routinely review the risks associated with the business and its global supply chain, including modern slavery and human trafficking, and address any areas identified for action.

### **Policies**

Ipeco does not condone slavery and servitude, forced or compulsory labour, any form of coercion, or human trafficking in its workforce or in any of its suppliers.

The following policies set down our approach to the identification of modern slavery risks and steps to be taken to prevent slavery and human trafficking in all operations which should be read in conjunction with this Statement:

- Bribery and Ethics Policy – Ipeco has a zero-tolerance approach to acts of corruption and bribery by any employees or representatives.
- Whistleblowing Policy – Ipeco is committed to maintaining the highest level of professional conduct, which requires colleagues to feel able to raise concerns of actual or possible malpractice.
- Company Code of Conduct – The Code of Conduct sets down the actions and behaviour expected of employees when representing the Company.

Responsibility for the Group’s anti-slavery initiatives is as follows:

- Policies: The Board is responsible for reviewing and approving policies. The Board will enforce Ipeco’s zero-tolerance approach to modern slavery and human trafficking in the workforce and supply chain.
- Risk assessments: The CEO is responsible for risk assessments in respect of human rights and modern slavery.
- Due diligence: The Procurement team is responsible for due diligence in relation to supplier contracts and standards and any known or suspected instances of modern slavery and human trafficking.
- Colleague awareness: Human Resources is responsible for ensuring that colleagues within the business are aware of the Group’s ethical policies, including those relating to modern slavery, and that appropriate training is provided.

## **Training**

To ensure a good understanding of the risks of modern slavery and human trafficking in our business and supply chains, all procurement staff will be provided training at least once in every 24 month period. We aimed to train all our employees by 30 September 2021, a goal which we achieved, and we ran a further set of training to all our employees during 2022. New employees who are client facing are, generally, given training shortly after their commencement, whilst all other employees are trained as part of the 2 year refresher training.

## **Due Diligence Processes for Slavery and Human Trafficking**

The business undertakes due diligence when considering taking on new suppliers, and regularly reviews its existing suppliers. Ipeco's due diligence processes include building long-standing relationships with suppliers, making clear our expectations of business partners through both clear communication and contractual terms, evaluating the modern slavery and human trafficking risks of each new and existing supplier and invoking sanctions against suppliers that fail to improve their performance in line with any action plan provided by us, including the termination of the business relationship. We also include provisions in our contracts requiring compliance with applicable UK or other global anti-slavery legislation.

We will continue to review and develop our supply chain due diligence and risk assessment across our offices to ensure a robust and consistent approach to slavery and human trafficking risks. To the extent that any such risks or actual violations are identified, we will implement all appropriate actions to eliminate them, including disengaging with suppliers and/or customers if necessary.

### **Performance indicators**

- The business uses key performance indicators (KPIs) to measure how effective we are in ensuring slavery and human trafficking is not taking place in any part of our business or supply chains including the percentage of suppliers with appropriate contractual terms (99% at the date of this Statement) and the number of whistleblower incidents relating to relevant issues (zero at the date of this Statement). The business aims to ensure on an ongoing basis that at least 90% of suppliers (where annual purchases are greater than £10,000) are verified as compliant with Ipeco's values. Previously, we had set the following targets, both of which we achieved: 100% of procurement staff to be given modern slavery awareness training by 30 September 2021.
- At least 90% of suppliers where annual purchases are greater than £10,000 to be verified as compliant with Ipeco's values by 31 December 2024.

### **Statement Review and Approval**

This Modern Slavery and Human Trafficking Statement will be regularly reviewed and updated, as necessary.

This Modern Slavery and Human Trafficking Statement has been approved and authorised by the Board of Directors of Ipeco Holdings Limited.