



Plot 4 Strategic Employment Site
Cross Hands East Industrial Estate
Heol Parc Mawr, Cross Hands,
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Tel: +44 (0) 1707 325513
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Ethical Sourcing & Modern Slavery Statement

1. Introduction and Purpose

Cwm Engineering Ltd is committed to conducting its business ethically and with respect for human rights. This statement outlines our dedication to ethical sourcing practices and our zero-tolerance approach toward modern slavery and human trafficking. We believe every individual has the right to work in safe, dignified, and fair conditions. Our aim is to ensure these principles are embedded throughout our operations and supply chain, and we explicitly adhere to all relevant legislation, including the UK Modern Slavery Act 2015 and applicable international standards.

2. Scope

This statement applies to:

- **Cwm Engineering Ltd:** All internal operations, procurement processes, and business practices.
 - **Suppliers and Subcontractors:** All organizations providing materials, components, or services to us.
 - **Business Partners:** Any third parties with whom we have contractual relationships, particularly in the aerospace, defence, and related sectors.
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3. Our Commitment

Cwm Engineering Ltd is dedicated to:

- **Ethical Sourcing:** Ensuring products and services are sourced from suppliers who share our commitment to ethical business practices and human rights.
 - **Zero Tolerance for Modern Slavery:** Actively preventing, detecting, and addressing any form of modern slavery, forced labor, or human trafficking.
 - **Transparency and Accountability:** Maintaining open, documented, and verifiable processes that allow us to monitor, assess, and improve our sourcing practices.
 - **Compliance:** Adhering to the UK Modern Slavery Act 2015, relevant EU directives, and other applicable international and national regulations.
 - **Supplier Code of Conduct:** Requiring all suppliers to commit to a robust Code of Conduct that outlines expectations regarding labour practices, working conditions, and the prohibition of forced, child, or exploitative labour.
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4. Ethical Sourcing Practices

4.1 Supplier Selection and Due Diligence

- **Risk Assessment:**
 - We conduct comprehensive risk assessments to identify high-risk suppliers and regions. Our assessments are based on factors such as geographic risk, industry practices, and historical compliance records.
 - Suppliers in higher-risk areas are subject to enhanced due diligence and more frequent audits.
- **Supplier Code of Conduct:**
 - All suppliers are required to sign and adhere to our Supplier Code of Conduct, which explicitly prohibits modern slavery, forced labor, and any forms of exploitation.
 - The Code of Conduct outlines specific requirements for labour practices, working conditions, and environmental standards.
- **Verification and Certification:**



- Suppliers must provide evidence that the minerals and materials used in their products originate from conflict-free and ethically sourced origins. This includes third-party audit reports, certificates of conformity, and detailed chain-of-custody documentation.
- **Ongoing Monitoring:**
 - We regularly review our suppliers through scheduled audits, self-assessment questionnaires, and performance reviews.
 - Records of these assessments, certifications, and any corrective actions taken are maintained for transparency and accountability.

4.2 Training and Awareness

- **Employee Training:**
 - Employees involved in procurement and supply chain management receive regular training on ethical sourcing, modern slavery risks, and the expectations set out in our Supplier Code of Conduct.
- **Supplier Education:**
 - We engage with our suppliers to raise awareness of modern slavery risks and encourage the adoption of best practices to mitigate these risks.

5. Monitoring, Reporting, and Corrective Actions

5.1 Audits and Assessments

- **Internal Audits:**
 - Regular internal audits are conducted to assess adherence to our ethical sourcing standards and to identify opportunities for improvement.
- **Third-Party Audits:**
 - Where necessary, we engage external auditors to independently verify supplier practices and compliance with our standards.
- **Performance Metrics:**
 - We monitor key performance indicators (KPIs) such as audit scores, corrective action timelines, and supplier compliance rates to evaluate the effectiveness of our ethical sourcing program.

5.2 Reporting Mechanisms

- **Internal Reporting:**
 - Employees, suppliers, and other stakeholders are encouraged to report any concerns or suspected breaches of this policy through established internal channels. All reports are treated confidentially and investigated promptly.
- **Escalation Procedures:**
 - If an issue is identified, it is immediately escalated to our Modern Slavery and Ethics Compliance Officer, who oversees the investigation and implementation of remedial actions.

5.3 Remediation and Escalation

- **Corrective Actions:**
 - For any confirmed breaches, Cwm Engineering Ltd will work collaboratively with the supplier to implement a remediation plan within a specified timeframe.
 - Non-compliance may result in contractual review, suspension, or termination of the business relationship if corrective actions are not taken.
 - **Continuous Improvement:**
 - Feedback from audits, supplier performance metrics, and stakeholder reports is used to refine our processes and further mitigate risks.
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6. Continuous Improvement

We recognize that ethical sourcing is an ongoing process. To continuously enhance our practices:

- **Policy Review:**
 - This statement is reviewed at least annually or when significant changes occur in legislation, industry standards, or our supply chain.
- **Stakeholder Engagement:**
 - We actively engage with industry bodies, non-governmental organizations, and our supply chain partners to share best practices and improve our sourcing protocols.
- **Benchmarking:**
 - We benchmark our performance against industry standards to ensure our practices remain robust and effective.

7. Contact Information

For any queries regarding this statement or to report concerns related to ethical sourcing and modern slavery, please contact:

Cwm Engineering Ltd on the above contact details

By adhering to this Ethical Sourcing & Modern Slavery Statement, Cwm Engineering Ltd reaffirms its commitment to ethical business practices and the protection of human rights. We expect our suppliers and partners to share in this commitment and work with us to maintain a supply chain free from modern slavery and unethical practices.

A handwritten signature in black ink, appearing to read "M D Walters", with a stylized flourish at the end.

Malcolm Walters
Managing Director
On behalf of Cwm Engineering Ltd.