



AWE PLC- MODERN SLAVERY AND HUMAN TRAFFICKING STATEMENT 2022/23

This statement is made on behalf of AWE plc (“AWE”), an arm’s length Non-Departmental Public Body (“NDPB”) wholly owned by the Ministry of Defence. The statement relates to the financial year, 1 January 2022-31 March 2023, and is made pursuant to Section 54(1) of the Modern Slavery Act (MSA) 2015 “Transparency in Supply Chains”.

Policies on Slavery and Human Trafficking

At AWE, we are committed to acting with integrity in everything we do and upholding the highest standards of corporate behaviour. Our policy, “Code of Conduct and Business Ethics”, contains a declaration that we will take the appropriate steps to ensure slavery and human trafficking is not taking place anywhere in our business or supply chains. The policy also sets out our commitment to respecting the human rights of our colleagues and our supply chain. In addition, the revised Code of Ethics contains a section on modern slavery and human trafficking along with a related dilemma for consideration. This Code goes to all employees, new starters and is available on the company’s website.

AWE’s designated Ethics Manager continued to offer an invaluable reporting service to staff throughout the year. In addition, the number of ethics ambassadors supporting staff has increased from 10-16 and are representatives from across the business functions. AWE continues to offer a dedicated confidential telephone line that enables individuals to obtain help and guidance on ethical issues 24 hours a day 7 days a week.

Recruitment Processes

AWE continues to conduct stringent pre-employment checks on all new employees including career and education history along with character references, right to work in the UK and criminal record checks. We fully align to the AWE Employee Value Proposition and monitor employee engagement via the Sunday Times’ Best Companies survey; this survey provides us with a measurable indicator of the ethics of our operation, working environment and how our employees feel about the wide range of working conditions. AWE’s HR department works closely with the Supply Chain Management team to ensure that AWE does not engage in modern slavery or human trafficking in either its own operations or those of its subcontractors or suppliers. This work continues to be supported by a dedicated Contingent Workforce Manager to oversee the engagement and management of temporary workers at AWE.

Our Supply Chain

AWE is committed to continuously improving its practices to identify and eliminate any slavery and human trafficking in its supply chain, and to acting ethically and with integrity in all its business relationships.

Our “Supplier Code of Conduct” clearly sets out the standards that we expect from our potential and current suppliers, stating that AWE expect suppliers to have suitable procedures in place to ensure they are not directly or indirectly involved in any form of modern slavery. This is repeated through all AWE contractual provisions, which mandates our suppliers and sub-contractors to be compliant with modern slavery legislation. These terms are updated in line with relevant legislation when

appropriate and subject to ongoing review to assess the effectiveness of relevant policies and procedures.

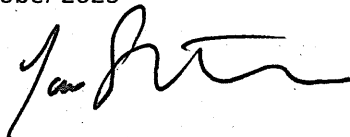
All our suppliers must confirm they are operating to the standards specified above before AWE will enter into any agreement with any supplier, or that they have an equivalent code of conduct, including provisions to prevent modern slavery and child labour. This can be provided to AWE for review and approval and must be done prior to the supplier being onboarded, and at any time when this code of conduct is subsequently changed. Suppliers and sub-contractors may also be subject to AWE audits, including on-site visits, where potential modern slavery and child labour risks may be identified.

The AWE Supply Chain Management team are aiming to obtain the Chartered Institute of Procurement and Supply (CIPS) Advanced award, with the aim to complete this by November 2023. Meeting this standard will demonstrate that AWE is a leading organisation in how it undertakes its procurement activities in a safe and compliant manner. As such, standards and policies regarding Modern Slavery and Anti-Bribery need to be produced and evidenced to receive this award.

AWE continues to be a member of the Supply Chain Sustainability School, which provides modern slavery awareness training, and promotes membership of the school to its suppliers. AWE also has its own internal training for employees on modern slavery awareness, which is a mandatory part of the AWE supply chain induction.

Under the Public Contracts Regulations 2015 and the Defence & Security Public Contract Regulations 2011, it is mandatory to immediately exclude a potential supplier from any procurement activity should they have been convicted under the Modern Slavery Act 2015. The Procurement Policy Action Note 05/19 lays out the central Government Policy on the risk of modern slavery in Government supply chains, and it has already been confirmed that AWE adheres to that Policy. AWE now also has access to the Government Commercial Framework document on how to tackle modern slavery. As stated above, none of these regulations or documents changes AWE's approach to modern slavery and confirms that AWE's approach has continued to be consistent with Government standards.

This Statement was approved by the board of directors of AWE plc and signed on behalf of AWE plc on 5 October 2023



Iain Stevenson
Managing Director and Chief Executive Officer,
AWE plc