Modern Slavery Act Transparency Statement

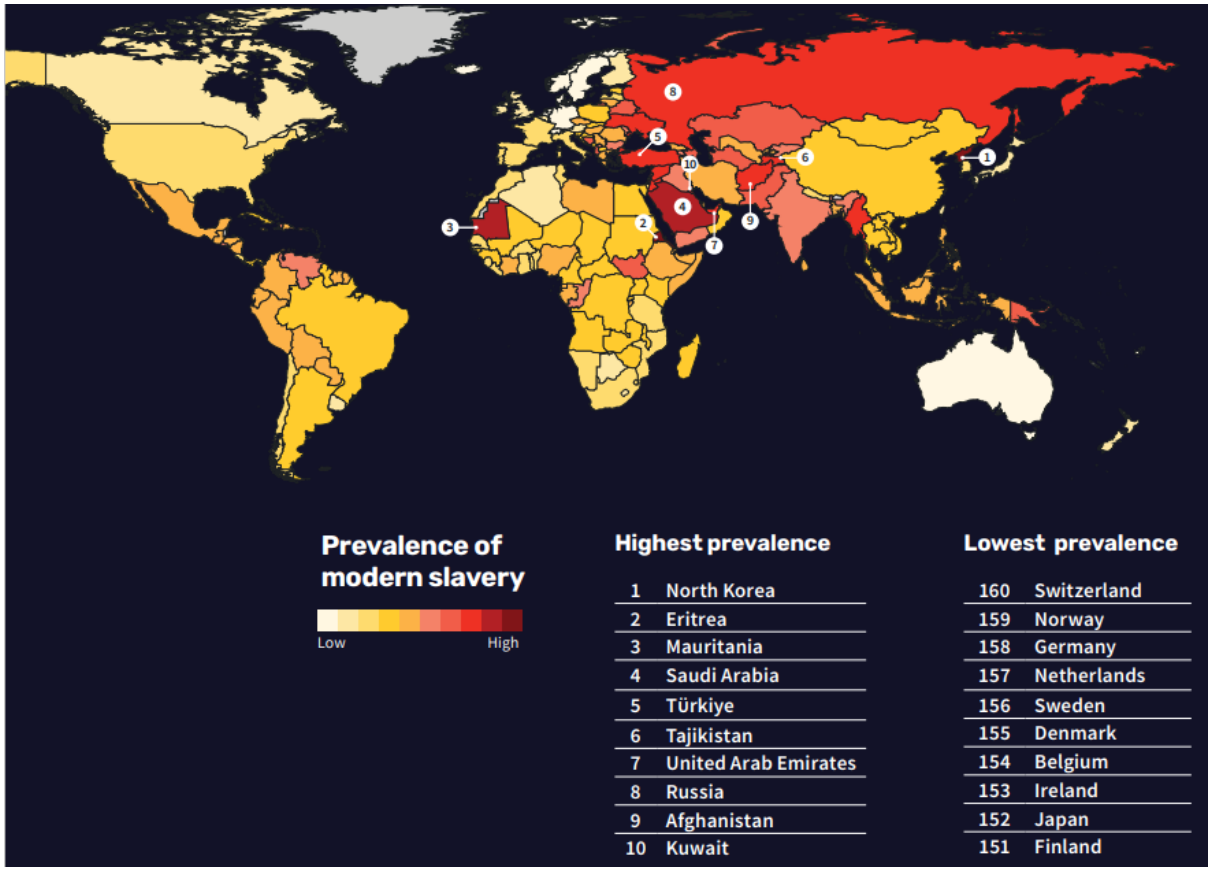
Introduction

This statement is made pursuant to Section 54 of the UK Modern Slavery Act 2015. It sets out the steps AMG Chrome Limited, AMG Aluminum UK Limited and AMG Alpoco UK Limited have taken during the 2023 financial year to prevent slavery and human trafficking from taking place in our supply chain, or in any part of our business together with the additional steps we intend to take in 2024.

Organisations with an annual turnover of £36 million or more must produce and publish a slavery and human trafficking statement each financial year.

Modern Slavery takes place in many forms; debt bondage, servitude, child slavery, forced labour and human trafficking. Slavery thrives on every continent and in almost every country and affects the world's most vulnerable people.

The global slavery index (www.globalslaveryindex.org) reported in 2023 that 50 million people worldwide are trapped in some form of slavery, this is an increase of 10 million since the last published figures in 2018.



Organisation Structure, Business and Supply Chain

AMG Chrome Limited, AMG Aluminum UK Limited and AMG Alpoco UK Limited are UK subsidiaries of AMG Critical Materials N.V. ('AMG').

AMG is a global critical materials company at the forefront of CO_2 reduction trends. AMG produces highly engineered specialty materials and provides vacuum furnace systems and services to the transportation, infrastructure, energy, and specialty metals and chemicals end markets.

With approximately 3,600 employees, AMG operates globally with production facilities in Germany, the United Kingdom, France, the United States, China, Mexico, Brazil, India, Sri Lanka, and Mozambique and has sales and customer service offices in Japan.

AMG Chrome Limited is a leading provider of speciality metals, alloys and materials. The company is a world leading manufacturer of chromium metal and chromium powders.

AMG Aluminum UK Limited is a world-leading provider of grain refiners and master alloys for the aluminium industry.

AMG Alpoco UK Limited is a world leading manufacturer of aluminium powders.

Each UK subsidiaries are sourcing raw materials, products and services globally.

Raw materials are sourced globally and some can only be sourced from a limited number of countries. Raw materials account for approximately 69% of our production costs with the remaining 31% being made up of 13% indirect costs, 7% direct costs, 7% other costs and 4% SG&A.

For more information please visit our global website: www.amg-nv.com

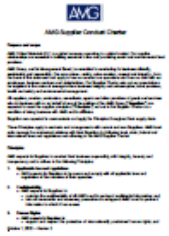
Policy

AMG are fully committed to human rights and expect their supply chain to meet the provisions laid out in the following company policies:

AMG Supplier Conduct Charter

A supplier charter has been in place for the AMG group since 2013. Most of our existing major suppliers have accepted our Supplier Conduct Charter to demonstrate their commitment towards Human Rights, Labour, the Environment and Anti-Corruption. The charter was updated in late 2022 by our parent company and became effective in the UK in February 2023.

During 2023 the Supplier Conduct Charter has continued to be issued with each Supplier Self Assessment form as well as a copy with all purchase orders. We expect each supplier to accept our conduct charter as part of the approval process.



[AMG Code of Business Conduct]

The AMG Code of Business Conduct, which has been in place since 2009, serves to guide the actions of all employees and is used as a tool to help employees make the right decisions and resolve ethical issues that they may encounter. The code helps employees to do the right thing and abide by the rules wherever AMG operate around the world.

In order to reinforce the principles of the AMG Code of Business Conduct (updated in 2023), employees are required to complete training on commencing employment and then on a periodic basis. This periodic training was carried out in 2023.



[Policy on Human Rights]

AMG supports and respects the protection of internationally proclaimed human rights and will work to make sure it is not complicit in human rights abuses. The key principles of the AMG Policy on Human Rights are driven by internationally accepted norms and national law.



Robust HR procedures and policies are in place to ensure our ongoing compliance with UK employment laws, including 'right to work' document checks, contracts of employment and ensuring compliance with national minimum wage requirements.

We offer market related pay and reward packages for the local areas in which we operate, which includes pensions and additional health and welfare benefits to support our employees during and after their working lives.

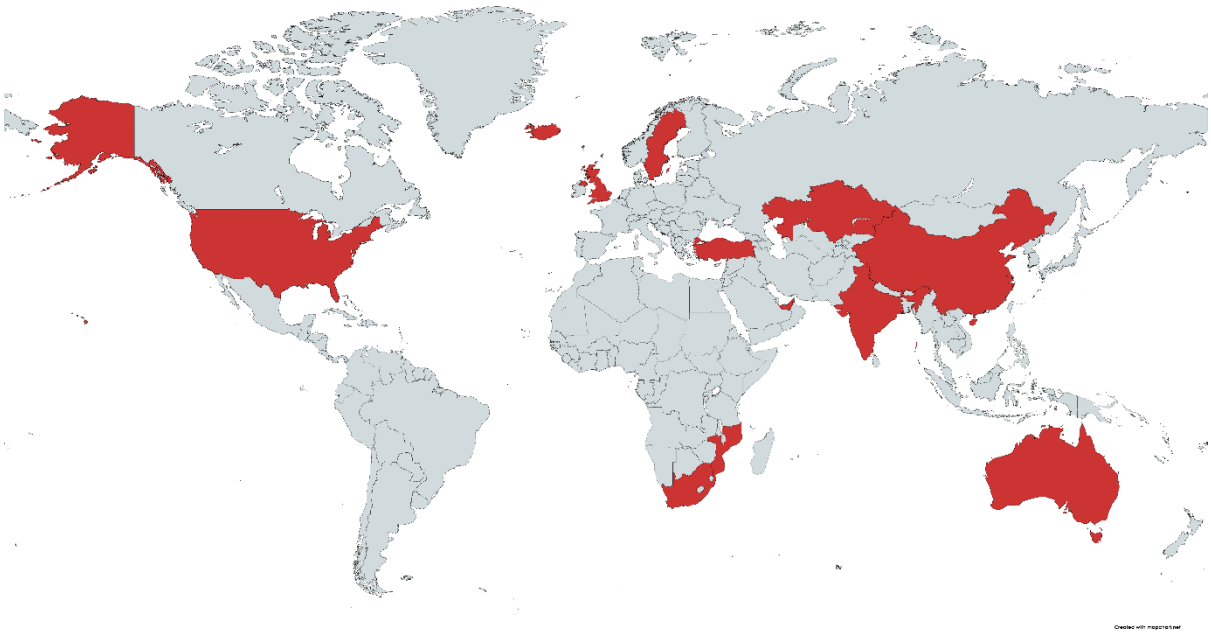
Our employment is not seasonal in nature and we do not employ people on zero-hours contracts. We have a good working relationship with the Trade union who represent a proportion of the staff at our sites.

Risk Assessment

AMG Chrome Limited, AMG Aluminum UK Limited and AMG Alpoco UK Limited have adopted a process that focuses on the Supplier Self Assessment feedback where each supplier is rated high, medium or low risk. We have dedicated personnel who review each completed form and risk assess based on the depth of the response in the ethical section to include any supporting documents such as a Modern Slavery policy and / or statement the supplier may have. AMG's Supplier Conduct Charter acceptance and geographical location of supplier and products sourced are also taken into consideration before the relevant risk rating is applied.

The world map below highlights the countries from which AMG Chrome Limited, AMG Aluminum UK Limited and AMG Alpoco UK Limited source critical raw materials.

AMG Chrome Limited, AMG Aluminum UK Limited and AMG Alpoco UK Limited Supply Map



AMG UK did not source any raw materials from Russia during 2023.

Priorities based on the risk assessment

AMG has worked with and will continue to work closely with suppliers where risk has been identified. Ethical site audits have and will continue to be completed on high and medium risk suppliers. Training will be provided to suppliers on modern slavery on a case-by-case basis.

AMG have further assessed high risk suppliers by distributing a specific questionnaire to be completed by the supplier, this is to fully understand the overall potential risk of slavery. From the reviews it is evident that our suppliers are taking the issue of forced labour seriously in regards to their own supply chain.

Monitoring / auditing

AMG carried out 39 supplier audits during 2023 against an annual target of 48. Of these audits, 55% were desktop based and the remaining 45% face to face. From those suppliers audited, 66% have a Modern Slavery policy in place which demonstrates their commitment to Modern Slavery. We only managed to achieve 81% of the target due to changes in personnel within the Supply Chain team in 2023. It is our intention to conduct further audits in 2024 and perform more face to face audits as we did in 2023.

Actions taken to reduce risk or to provide remedy

To promote the reporting of violations of the Code of Business Conduct, AMG has adopted a Speak Up and Reporting Policy, enabling employees to submit complaints on an anonymous basis without fear of the complaints leading to disciplinary action. The Speak Up and Reporting Policy can be found on the Company website at www.amg-nv.com under the Corporate Governance section. The Speak Up and Reporting policy applies to the reporting of any suspicions our employees may have regarding modern slavery.

AMG has a designated Compliance Officer and Compliance Representative for our UK sites, their contact details are made available to all employees. AMG has delivered training to all relevant personnel on the risks of modern slavery.

During 2023, 119 suppliers completed our Supplier Self Assessment; 27% of these were existing suppliers and 73% were new suppliers. All 119 suppliers signed up to our Supplier Conduct Charter or provided their own charter, demonstrating their commitment to work with AMG.

AMG have recognised the significance of Modern Slavery, and during 2023 AMG Chrome Limited became a Stronger Together Advanced Business Partner. This shows our commitment to tackling Modern Slavery within the business and also allows us to progress our objectives of eradicating and recognising Modern Slavery within our organisation and Supply Chain.

AMG 2023 progress report and further commitments during 2024

Commitments during 2023	Not started	In progress	Completed
Engage with labour resource providers to review recruitment, selection process, and compliance with Modern Slavery and ethical practices			
HR to conduct a new starter welfare check to identify potential worker exploitation			
Update / refresh Modern Slavery posters around site			
Update the Supplier Log to include whether a supplier has a Modern Slavery Policy and monitor this on an ongoing basis			
Refresh our internal Modern Slavery training presentation used to train new employees			
Seek Advanced Stronger Together Business Partner status			
Expand Modern Slavery disclosures in our annual accounts			
Discuss with customers whether AMG are doing enough in regards to Modern Slavery, or whether there are any improvements that we can make			
Carry out further training with high risk suppliers to try and lower the risk of Modern Slavery in our Supply Chain			
Carry out more face to face audits on suppliers, with a focus on high risk suppliers and contractors			
Implement a policy to periodically spot check the above commitments for 2023 to ensure they are being completed throughout the year			
Develop an online mandatory training course for relevant "buyers" in regards to Modern Slavery, which must be completed every 12/18 months followed by a test			
Carry out face-to-face training on all blue collar workers across the business			
Aim to improve the incident response plan, should an incident occur			

During 2024 AMG propose to do the following:

Commitments during 2024	Not started	In progress	Completed
Aim to improve the incident response plan, should an incident occur			
Retain Stronger Together Advanced status			
Introduce induction video on Modern Slavery for new starters			
Enhance knowledge and understanding of modern slavery for all employees by using interactive screens in manufacturing areas to communicate information on Modern Slavery			
Invite suppliers to complete the Modern Slavery Assessment tool on the Gov.UK website			
Request suppliers to send evidence of recruitment methods used for the staff delivering on our contracts			

Monitoring effectiveness using KPIs

At AMG Chrome Limited, AMG Aluminum UK Limited and AMG Alpoco UK Limited we understand that modern slavery risk is not static and we will continue our leading approach to mitigating the risk in the years ahead and strive to collaborate with our suppliers on a frequent basis to better understand their policies and processes.

We will continue to monitor our performance through regular reviews of modern slavery related risks. These are assessed through our key performance indicators, such as number of ethical site audits, completed supplier self assessments and also number of staff trained on modern slavery and spotting the signs.

Training

Our in house training on modern slavery is a continuous process.

In order to keep modern slavery awareness high in our business, we have set up an online compliance awareness course which employees are required to complete. The first course was held in 2019 and the refresher took place in 2021. Members of the Supply Chain department attended the Stronger Together "Tackling Modern Slavery in Global Supply Chains" course in 2023. This has enhanced our knowledge of Modern Slavery and improved our ability to deter, detect and deal with Modern Slavery should it arise at AMG.

AMG will continue to update its policies and procedures, as required, in order to ensure it maintains appropriate safeguards against any mistreatment of persons involved in its supply chain or own business.

Collaboration and stakeholder engagement

AMG have a dedicated project team that includes members of Finance, Supply Chain and HR.

Employee training is carried out onsite to raise awareness and how to spot the signs of modern slavery, information on sharing risks and approaches is included on all notice boards and annual updates in the company team brief.

During 2023, customers were approached to understand whether they believe that AMG are doing enough in regards to Modern Slavery. If any suggestions for improvements at AMG were raised, these were discussed on a case-by-case basis.

AMG understand that there is a clear moral case for eliminating modern slavery and human rights, we acknowledge the need to take a collaborative approach with supplier engagement and will share knowledge and training material where necessary.

This statement was approved on 13 March 2024 by the Board of Directors.

Kevin Lawson
President - AMG Chrome Limited
Managing Director - AMG Aluminum UK Limited & AMG Alpoco UK Limited