



UK MODERN  
SLAVERY STATEMENT  
RESPONSE 2019

# UK MODERN SLAVERY STATEMENT RESPONSE 2019



**MBDA IS THE ONLY EUROPEAN GROUP  
CAPABLE OF DESIGNING AND PRODUCING  
MISSILES AND MISSILE SYSTEMS TO MEET  
THE WHOLE RANGE OF CURRENT AND  
FUTURE NEEDS OF THE THREE  
ARMED FORCES**



**AIR, LAND, SEA**

**A EUROPEAN INTEGRATED  
DEFENCE COMPANY**



**11,300 EMPLOYEES**

**A JOINT VENTURE OF THE THREE EUROPEAN  
LEADERS IN AEROSPACE AND DEFENCE:  
AIRBUS (37.5%), BAE SYSTEMS (37.5%)  
AND LEONARDO (25%)**



**3 MAJOR SHAREHOLDERS**

*This statement is made pursuant to Section 54 of the Modern Slavery Act 2015 (the 'Act') and constitutes MBDA UK Limited's ('MBDA UK') Modern Slavery and Human Trafficking statement for the financial year ending 31 December 2018.*

*MBDA Group ('MBDA') has a zero tolerance approach to modern slavery of any kind within its operations and supply chain. This statement references the principles applicable to MBDA UK with respect to modern slavery and human trafficking and sets out the steps that MBDA UK has taken to ensure that modern slavery and human trafficking are not present in its business or its supply chain.*

## INTRODUCTION

Modern slavery is the illegal exploitation of people for personal or commercial gain, often in horrendous conditions which the victim cannot escape. Businesses, including MBDA, have a key part to play in the effort to tackle this crime and protect vulnerable workers from exploitation.

Forced, bonded or compulsory labour, human trafficking and other kinds of slavery and servitude represent some of the gravest forms of human rights abuse in any society.

The Act is a globally leading piece of legislation. It sets out a range of measures on how modern slavery and human trafficking should be dealt with in the UK and impacts the corporate sector.

## OUR BUSINESS

MBDA is a world leader in missiles and missile systems, with a significant presence in five European countries and with more than 90 armed forces customers around the world. In total, MBDA offers a range of 45 missile systems and countermeasures products already in operational service, with more than 15 others currently in development.

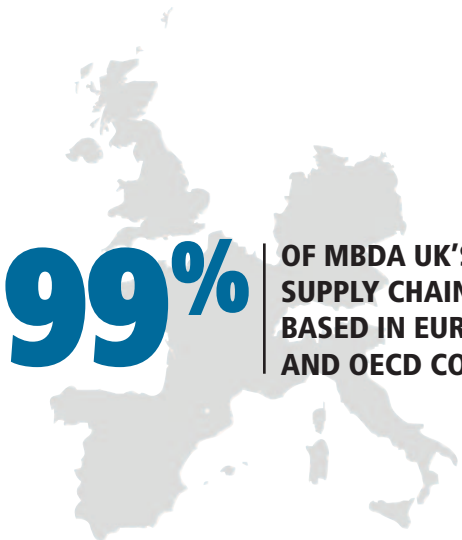
## OUR CODE OF ETHICS & POLICIES

MBDA has an established Code of Ethics, which is regularly updated to ensure that our corporate culture and changes to legislation are appropriately embedded. This helps us continue to conduct our business activities to the highest standard.

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We remain committed to increasing our employees' awareness of modern slavery and, to this end, we will continue to update policies and processes as appropriate. External to our business, our suppliers deliver a key part of the value in our products and play an important role in customer satisfaction. Our multi-faceted, robust and risk-based approach to supply chain business ethics is therefore fundamental in ensuring that our products are built to the highest ethical standards. We have expectations of how suppliers manage their ethical conduct and we have a Supply Chain Business Ethics Procedure to support our Business Ethics Policy and our Manage Supply Chain Process. Together, these policies ensure that appropriate ethical assessment and validation of our current and future suppliers will be conducted.

In accordance with our Group Allegation Process, all MBDA employees are expected to report any concerns they have, including those relating to modern slavery. All concerns are treated seriously, fairly and the employee's identity will remain confidential.



**99%** OF MBDA UK'S  
SUPPLY CHAIN IS  
BASED IN EUROPE  
AND OECD COUNTRIES



**28** SUPPLIERS IN  
MORE THAN  
COUNTRIES

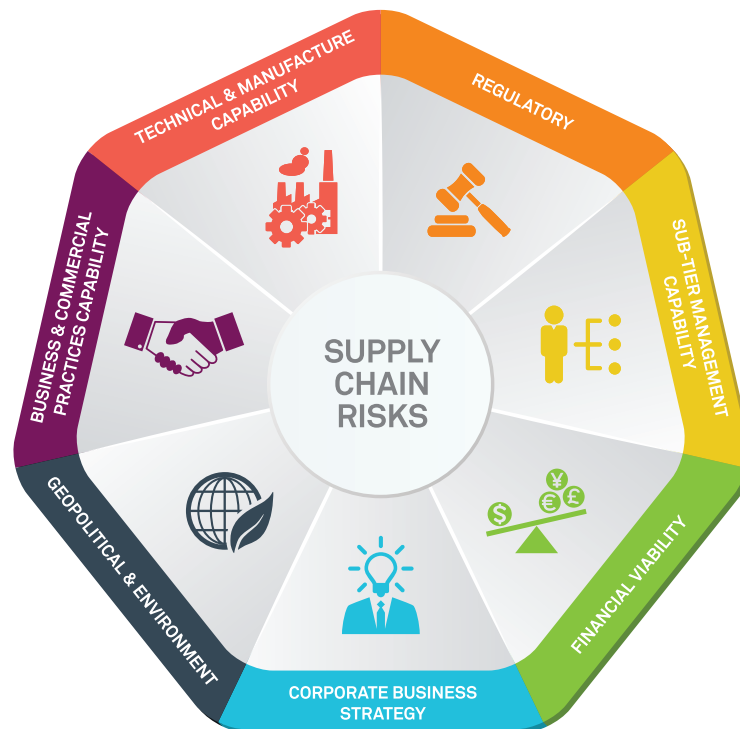
### OUR SUPPLIER RISK ASSESSMENT & DUE DILIGENCE

We have a strong and well-established commitment to responsible business conduct. Our internal processes demonstrate our dedication to transparency and ensuring that good supply chain practices are in place. We assess prospective suppliers as part of our risk registration process to ensure that we are working with ethical suppliers who share the same principles and values as us. We check suppliers' risk profiles before we contract with them, including any adverse media concerning slavery and human trafficking. We work with our key active suppliers to ensure they have appropriate systems and risk mitigation strategies in place to assess their own business and their sub-tier suppliers.

Our ability to understand potential risk in our supply chain is fundamental to our working practices and, as such, we ensure our employees receive the appropriate training and support.

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We deliver a Supply Chain Risk Management model that is based around seven key risk areas, creating a risk profile for each supplier at the earliest possible opportunity. The approach improves the early identification, prevention and mitigation of supply chain risk in order to ensure a sustainable and high performing supply chain throughout the full lifecycle of our products. It achieves this by enhancing the levels of screening, risk understanding, mitigation and reporting of transversal risk.



If we consider that a company within our supply chain is deemed to be at higher risk with respect to modern slavery and human trafficking, the supplier will be subject to enhanced assessments and planned risk mitigation and escalation routes, as appropriate. All of our active suppliers are subject to continued monitoring throughout their lifecycle contract with MBDA.

## OUR CONTRACTS

MBDA UK is working to include provisions in all of its supply contracts requiring suppliers to be compliant with the UK Modern Slavery Act, to take any necessary corrective actions in the case of failure to comply and which will provide the right for MBDA UK to terminate its contract with the respective supplier where it is considered appropriate.

This statement has been approved by the Board of MBDA UK Limited.

Chris Allam  
Managing Director MBDA UK & Executive Group Director Engineering

*MBDA helping to tackle slavery and human trafficking in industry. Find out more at [GOV.UK](https://www.gov.uk)*