

Modern Slavery Statement

Modern Slavery Statement for Financial Year 2019/20

This statement is made pursuant to s.54 of the Modern Slavery Act 2015 and sets out the steps that TST has taken and is continuing to take to ensure that modern slavery or human trafficking is not taking place within our business or supply chain.

Modern slavery encompasses slavery, servitude, human trafficking and forced labour. TST has a zero tolerance approach to any form of modern slavery. We are committed to acting ethically and with integrity and transparency in all business dealings and to putting effective systems and controls in place to safeguard against any form of modern slavery taking place within the business or our supply chain.

Our Business

A centre of excellence specialising in coatings for gas turbine components located in the hot gas path section of the engine.

Our Policies

We operate a number of internal policies to ensure that we are conducting business in an ethical and transparent manner. These include:

1. Anti-Slavery Policy

This policy sets out the organisation's stance on modern slavery and explains how employees can identify any instances of this and where they can go for help.

2. Recruitment Policy

We operate a robust recruitment policy, including conducting eligibility to work in the UK checks for all employees to safeguard against human trafficking or individuals being forced to work against their will.

3. Human Rights Policy

This policy sets out the organisation's stance on Human Rights and explains the expectations required to act in a socially responsible manner and comply with applicable laws.

4. Code of Conduct

This code explains the manner in which we behave as an organisation and how we expect our employees and suppliers to act.

Our Suppliers

TST operates a supplier policy and maintains a preferred supplier list. We conduct due diligence on all suppliers before allowing them to become a preferred supplier. This due diligence includes an online search to ensure that particular organisation has never been convicted offences relating to modern slavery (and onsite audits include a review of working conditions). Our Anti-Slavery Policy forms part of our contract with all suppliers and they are required confirm that no part of their business operations contradicts this policy.

In addition to the above, as part of our contract with suppliers, we require that they confirm to us that

1. They have taken steps to eradicate modern slavery within their business
2. They hold their own suppliers to account over modern slavery
3. (For UK based suppliers) They pay their employees at least the national minimum wage/ national living wage (as appropriate)
4. (For international suppliers) They pay their employees any prevailing minimum wage applicable within their country of operations
5. We may terminate the contract at any time should any instances of modern slavery come to light

Training

We regularly conduct training for our procurement/buying teams so that they understand the signs of modern slavery and what to do if they suspect that it is taking place within our supply chain.

Our Performance Indicators

We will know the effectiveness of the steps that we are taking to ensure that slavery and/or human trafficking is not taking place within our business or supply chain if:

- No reports are received from employees, the public, or law enforcement agencies to indicate that modern slavery practices have been identified.



Declaration

This statement has been made in accordance with the reporting requirements of Clause 54, Part 6 of the UK Modern Slavery Act for the year ending 31 December 2018. This statement applies to all parts of the Rolls-Royce Group.

This statement was approved at the Board meeting on 15 November 2019, and has been signed by the Chairman, on behalf of the Board of Directors.

Signed

A handwritten signature in blue ink, appearing to read 'Pete Howard'. The signature is fluid and cursive, with the first name 'Pete' and the last name 'Howard' clearly distinguishable.

Pete Howard
Chairman of the Board

TSTL
15 November 2019