

Modern slavery and human trafficking statement

Introduction

This statement sets out ASM ASSEMBLY SYSTEMS WEYMOUTH LTD ASM UK HOLDING LTD's (Hereon referred to as ASM SMT UK) actions to understand all potential modern slavery risks related to its business and to put in place steps that are aimed at ensuring that there is no slavery or human trafficking in its own business and its supply chains. This statement relates to actions and activities during the financial year 1 April 2020 to 31 March 2021.

As part of an Engineering and Electronic Manufacturing supply chain, ASM SMT UK recognises that it has a responsibility to take a robust approach to slavery and human trafficking.

ASM SMT UK is absolutely committed to preventing slavery and human trafficking in its corporate activities, and to ensuring that its supply chains are free from slavery and human trafficking.

Organisational structure and supply chains

ASM SMT UK Designs, Develops and produces Printing Equipment and parts primarily for the SMT and Semiconductor industries.

Countries of operation and supply

ASM SMT UK currently sources materials and sells finished products globally. A list of countries where these activities take place is available on request.

The following is the process by which the company assesses whether or not particular activities or countries are high risk in relation to slavery or human trafficking:

- ASM screen all potential customers and suppliers through AEB compliance software, integrated within our SAP Enterprise Resource Planning (ERP) system. Any which are identified as a possible match are investigated, during this time no Purchase Orders or Sales Orders to them can be processed
- ASM work closely with our global suppliers to ensure to the best of our ability that all items are sourced compliantly, ethically and in accordance with all human rights legislation
- ASM stipulate in all Supply Contracts that products must be supplied in accordance with RoHS, REACH and EICC regulations.
- EICC is the **Electronic Industry Citizenship Coalition® (EICC®)** who's International Code of Conduct establishes standards to ensure that working conditions in the electronics industry supply chain are safe, that workers are treated with respect and dignity, and that business operations are environmentally responsible and conducted ethically.

High-risk activities

The following activities are considered to be at high risk of slavery or human trafficking:

- Mining of precious metals used within electronic manufacturing such as yttrium, lanthanum, terbium, neodymium, gadolinium and praseodymium
- Products sourced from countries whose Human Rights record is considered below acceptable levels
- Workers in traditionally low paid countries being exploited by employers

ASM has a moral responsibility of ensuring that no slavery has been used in producing the products we sell. This not only applies to goods manufactured in our factories but also to our suppliers, and suppliers of their suppliers, all the way down the supply chain.

Responsibility

Responsibility for ASM SMT UK's anti-slavery initiatives is as follows:

Training: ASM SMT UK has trained managers involved in the recruitment of Temporary workers and also the Logistics and Materials Management team involved in the Supply Chain.

Relevant policies

ASM SMT UK operates the following policies that describe its approach to the identification of modern slavery risks and steps to be taken to prevent slavery and human trafficking in its operations:

1. Whistleblowing policy ASM SMT UK encourages all its workers, customers and other business partners to report any concerns related to the direct activities, or the supply chains of, ASM SMT UK. This includes any circumstances that may give rise to an enhanced risk of slavery or human trafficking. ASM SMT UK's whistleblowing procedure is designed to make it easy for workers to make disclosures, without fear of retaliation. Employees, customers or others who have concerns can use our confidential helpline/complete our confidential disclosure form.
2. Employee code of conduct ASM SMT UK's code makes clear to employees the actions and behaviour expected of them when representing ASM SMT UK. ASM SMT UK strives to maintain the highest standards of employee conduct and ethical behaviour when operating abroad and managing its supply chain.
3. ASM SMT UK is committed to ensuring that its suppliers adhere to the highest standards of ethics. Suppliers are required to demonstrate that they provide safe working conditions where necessary, treat workers with dignity and respect, and act ethically and within the law in their use of labour. ASM SMT UK works with suppliers to ensure that they meet the standards of the code and improve their worker's working conditions. However, serious violations of ASM SMT UK's supplier code of conduct will lead to the termination of the business relationship.

4. ASM SMT UK uses only specified, reputable employment agencies to source labour and always verifies the practices of any new agency it is using before accepting workers from that agency. Full identity checks and searches are performed prior to a temporary worker's employment through an agency, periodic checks are performed on the agency to ensure that processes are being followed.

Due diligence

ASM SMT UK undertakes due diligence when considering taking on new suppliers, and regularly reviews its existing suppliers. ASM SMT UK's due diligence and reviews include:

- Supplier contracts & adherence to regulations;
- Where possible suppliers holding BSI standards;
- Business and Process audit;
- D&B credit checks;
- Compliance check new vendor (database) to check Geographical locations relating to conflict minerals or blacklisted countries;
- Invoking sanctions against suppliers that fail to improve their performance in line with an action plan or seriously violate our supplier code of conduct, including the termination of the business relationship,

Performance indicators

ASM SMT UK has reviewed its key performance indicators (KPIs). As a result, ASM SMT UK:

- Requires all HR professional, SCM Make Team Leaders and those working in Logistics and Materials Management to have completed training on modern slavery by 31 March 2021;
- Has a developed and robust system for supply chain verification whereby ASM SMT UK evaluates potential suppliers before they enter the supply chain; and
- Continually reviews its existing supply chains

Training

ASM SMT UK requires all HR professionals, SCM Make Team Leaders and those working in Logistics and Materials Management to sign up to one of a number of bi-annual refresher training sessions that are being run in during 2020.

ASM SMT UK's modern slavery training covers:

- Our business's purchasing practices, which influence supply chain conditions and which should therefore be designed to prevent purchases at unrealistically low prices, the use of labour engaged on unrealistically low wages or wages below a country's national minimum wage, or the provision of products by an unrealistic deadline;
- How to assess the risk of slavery and human trafficking in relation to various aspects of the business, including resources and support available;

- How to identify the signs of slavery and human trafficking;
- What initial steps should be taken if slavery or human trafficking is suspected;
- How to escalate potential slavery or human trafficking issues to the relevant parties within ASM SMT UK;
- What external help is available, for example through the Modern Slavery Helpline, Gangmasters and Labour Abuse Authority and "Stronger together" initiative;
- What messages, business incentives or guidance can be given to suppliers and other business partners and contractors to implement anti-slavery policies; and
- What steps ASM SMT UK should take if suppliers or contractors do not implement anti-slavery policies in high-risk scenarios, including their removal from ASM SMT UK's supply chains.

Awareness-raising programme

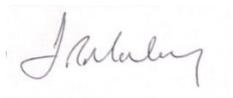
As well as training staff, ASM SMT UK has raised awareness of modern slavery issues by placing digi-posters across ASM SMT UK's premises.

The digi-posters explain to staff:

- The basic principles of the Modern Slavery Act 2015;
- How employers can identify and prevent slavery and human trafficking;
- What employees can do to flag up potential slavery or human trafficking issues to the relevant parties within ASM SMT UK; and
- What external help is available, for example through the Modern Slavery Helpline.

Company Director Approval

This statement was approved on 15 April 2020 by ASM SMT UK's board of directors who review and update it annually.



Jon Maloney,
Vice President, Product Line Innovation Centre



David Mudge, Senior Director, Human Resources

15 April 2020