

## VDM Metals International GmbH | Modern Slavery and Human Trafficking Statement 2024/25

This statement is made pursuant to section 54(1) of the UK Modern Slavery Act 2015 (the "Act") and constitutes the slavery and human trafficking statement for VDM Metals International GmbH for the financial year ending December 31, 2024. As part of a coordinated group approach, this statement also encompasses the operations and active compliance frameworks of its affiliated UK subsidiary, VDM Metals UK Ltd., and the wider VDM Metals Group. It sets out the comprehensive steps taken across our business operations and corporate supply chains to identify, address, and mitigate the risks of modern slavery and human trafficking.

### 1. Organization's Structure and Business

VDM Metals International GmbH (headquartered in Werdohl, Germany) is the primary international trading and sales entity within the VDM Metals Group, driving the direct high-volume commercial transactions and product supply lines into the United Kingdom. Together with its subsidiaries, including the local UK commercial distribution agent VDM Metals UK Ltd., it forms the VDM Metals Group. The VDM Metals Group operates as a highly specialized corporate division for high-performance materials under the global umbrella of Acerinox S.A., a global conglomerate listed on the Madrid Stock Exchange.

VDM Metals is a world-market leader in the development and manufacturing of high-performance metallic materials, specifically nickel alloys and high-alloyed special stainless steels. These materials are vital for high-stress applications requiring superior corrosion and heat resistance, such as the chemical process industry, oil & gas extraction, automotive, aerospace, electronics, and various sustainability technologies. Globally, the Acerinox Group employs over 8,200 people worldwide, while the VDM Metals Group itself comprises 2,007 highly qualified employees across its global production network.

In the financial year 2024, the VDM Metals Group achieved a consolidated annual turnover of €1,292 million. While the local commercial presence of VDM Metals UK Ltd. acts as an agent and generates an individual recorded turnover of less than £5 million annually, VDM Metals International GmbH maintains a major commercial trading footprint in the UK exceeding the statutory £36 million threshold. Consequently, this statement anchors the collective UK cross-border business activities firmly to the robust, verified compliance landscape of our German parent organization.

### 2. Our Global Supply Chains

The manufacturing of high-performance nickel alloys and special alloys requires a secure and ethical procurement structure. VDM Metals operates complex, multi-level supply relationships that depend significantly on the sourcing of primary metals and raw metallic feedstocks. Our metallurgy is fundamentally driven by a circular approach:

- **Recycled Scrap Materials:** A substantial proportion of our total metal input (historically achieving a recycling rate between 50% and 60%) is derived from high-value process scraps, secondary metals, turnings, and industrial metal residues, which are sorted, treated, and remelted to prevent environmental depletion.

- **Primary Elements and Master Alloys:** For required pristine alloying inputs, we procure virgin high-purity elements, including nickel, ferrochromium, cobalt, tungsten, and molybdenum, from selected certified global partners and producers.

We explicitly acknowledge that the extraction of raw minerals and the initial upstream processing stages pose elevated geographical human rights and environmental hazards. In alignment with this, VDM Metals strictly applies the industry standard of the Responsible Minerals Initiative (RMI) and enforces an unwavering ban on any goods originating from conflict or high-risk areas that might propagate or foster human rights abuses.

### 3. Internal Policies on Slavery and Human Trafficking

Our operational ethos treats people with absolute dignity and care and natural resources with profound respect. We maintain a zero-tolerance stance toward child labor, forced labor, slavery, servitude, or human trafficking across all operational layers. This commitment is structurally embedded into our corporate identity through the following governing policies:

- **VDM Metals Code of Conduct:** Applies binding, cross-border rules of behavior to 100% of our internal workforce, stipulating total alignment with international human rights, fair compensation, statutory limits on working hours, and safe labor environments.
- **VDM Metals Code of Conduct for Suppliers (Supplier Code):** An immutable contractual component governing all external business relationships. It explicitly demands that all direct suppliers ensure fair working conditions, record employee working hours transparently, respect freedom of association, and pass down these exact human rights and anti-slavery obligations to their respective upstream subcontractors.
- **Due Diligence in the Supply Chain / Statement of Principles:** Adopted under the framework of legal regulations including the German Supply Chain Due Diligence Act (*Lieferkettensorgfaltspflichtengesetz - LkSG*), this document formalizes our strategy to safeguard human rights and environmental thresholds within our own business activities and the upstream value chain.
- **Policy on Conflict Minerals & Cobalt:** Formally designates cobalt alongside tantalum, tin, tungsten, and gold as a highly sensitive commodity, requiring suppliers to provide comprehensive proof of conflict-free extraction via standardized RMI reporting templates (CMRT/EMRT).

### 4. Due Diligence Processes

The VDM Metals Group has anchored a rigorous multi-stage due diligence methodology across the global procurement and sales cycles to actively identify and neutralize high-risk supply scenarios:

Our formalized risk analysis is executed annually as well as on an ad-hoc basis whenever external alerts arise. In the first phase, an abstract risk assessment maps suppliers against global risk indexes, country of domicile, and specific product groups, drawing from verified external databases such as the World Bank's Governance Indicators, Yale University's Environmental Performance Index, and EU conflict lists (CAHRA). In the second phase, any elevated risk markers trigger a deep-dive verification using localized supplier questionnaires and concrete documentation reviews.

To verify compliance, VDM Metals utilizes systemic onboarding verification and conducts detailed on-site audits. The function of the Human Rights Officer is situated inside our compliance division, ensuring regular and direct reporting pathways straight to executive board level.

### **External Performance & Validation:**

The integrity and effectiveness of our human rights and environmental management frameworks are systematically reviewed and verified by independent external authorities. The VDM Metals Group maintains comprehensive DIN EN ISO certifications for Environmental Management (ISO 14001), Occupational Health and Safety (ISO 45001), Energy Management (ISO 50001), and Compliance Management (ISO 37301). Furthermore, our sustainability achievements are evaluated by the global rating platform EcoVadis, placing VDM Metals in the Top 1% of all rated companies worldwide within our industry, securing the prestigious Platinum Status.

## **5. Training and Raising Awareness**

To ensure a precise understanding of human rights and modern slavery indicators across our operations, VDM Metals conducts regular compliance and anti-corruption training sessions. All corporate personnel are systematically enrolled in electronic e-learning modules covering our integrated Code of Conduct. Targeted training plans are continuously optimized and tailored to specialized commercial functions – notably general purchasing, metal trading, and human resources – ensuring that individuals negotiating supplier agreements remain acutely aware of warning signs related to forced labor, excessive overtime, or documents withholding in third-party entities.

## **6. Grievance and Reporting Mechanisms**

We promote an open corporate culture that values clear and absolute compliance transparency. VDM Metals maintains a multi-channel whistleblowing and complaints mechanism that is securely hosted, web-accessible externally, and fully multi-lingual. This platform enables employees, suppliers, their workforces, and any affected external third parties to log potential non-compliance or modern slavery concerns completely anonymously and without fear of retaliation or reprisal:

- **Global Whistleblower Portal:** <https://acerinoxgroup.integrityline.app>
- **Direct Compliance Contact:** [compliance@vdm-metals.com](mailto:compliance@vdm-metals.com)
- **Compliance Hotline:** +49 2392 55 7777

Every logged submission is registered by our centralized corporate compliance team, strictly investigated under the terms of our Internal Investigations Policy, and handled with utmost confidentiality. Over the past reporting period, there have been zero confirmed incidents or structural complaints regarding child labor, forced labor, human trafficking, or modern slavery anywhere across our corporate group or within our documented supply chains.

## **7. Approval by the Management**

This statement has been formally reviewed, approved, and authorized by the Management of VDM Metals International GmbH and covers the collective compliance obligations for our core UK cross-border business operations. It will be made prominently accessible via our

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corporate web entry to provide full public transparency in compliance with the UK Modern Slavery Act 2015.

**Approved and signed on behalf of VDM Metals International GmbH:**

**Name:** Sascha Sütterlin      **Signature:**  11.06.2026

**Title:** Senior Vice President Sales & Regional Management

**Name:** Robert Brochtrup      **Signature:**  09.06.2026

**Title:** Senior Vice President Supply Chain Management

**Date of Approval:** June 09, 2026