



MODERN DAY SLAVERY ACT 2015 POLICY STATEMENT

The Modern Slavery Act 2015 places an obligation on UK businesses with a turnover of over £36 million to produce a modern slavery statement. At Kennametal UK Limited we are proud of the steps we take to combat slavery and human trafficking and we remain committed to acting ethically and with integrity in all of our business relationships.

Our business

Kennametal is dedicated to providing its employees with a positive working environment which complies, or exceeds, the requirements of all applicable legislation concerning human rights, anti-discrimination and fundamental rights at work. This policy takes into consideration, and supports, the policies, procedures and requirements documented in our Integrated Management System that is compliant with the requirements of ISO 9001 : 2015, ISO 14001 : 2015 and OHSAS 18001 : 2007. The implementation and operation of this management system underlines our commitment to this policy statement. Formal procedures regarding slavery and human trafficking have been established. These include disciplinary procedures when such guidelines are breached. Furthermore effective communication is practised in order to ensure such a policy is understood and communicated to all levels of the company and a regular review is conducted by the company's directors to ensure its continuing suitability and relevance pursuant to the company's on going activities.

Our suppliers

We adopt a stringent procurement process. Suppliers are reviewed and audited to ensure safe working conditions and to ensure they adopt adequate policies which meet or exceed Kennametal's purchasing requirements, including the policies set out below.

Notwithstanding the steps Kennametal takes in this regard, it is ultimately our suppliers' duty to respect the applicable laws and ethics on human rights.

Our policies on slavery and human trafficking

We are committed to ensuring that there is no modern slavery or human trafficking in our supply chains or in any part of our business. Our Global Framework Agreement reflects our commitment to acting ethically and with integrity in all our business relationships and to implementing and enforcing effective systems and controls to help eradicate slavery and human trafficking.

1. Kennametal Global Framework Agreement.

This agreement promotes a responsible social dialogue on an international scale across the Kennametal Worldwide Group. This agreement promotes sustainable development and commitment to the following areas:

- i. Respect for fundamental social rights;
- ii. Social responsibility to employees; and
- iii. Supplier and sub-contractor relationships

Our commitment to fundamental social rights focuses on the effective abolition of child labour, forced labour and discrimination in respect of employment and employee occupations. We share our Global Framework Agreement with suppliers who are required to comply with Kennametal policies.

2. Kennametal Group Employees' Fundamental Rights Declaration Policy

Employees' and Supplier Employees' rights are respected and valued at Kennametal and this is reflected in the HR handbook, which reiterates the company's commitment to:

- i. Health and Safety and Working Conditions;
- ii. Eliminating Child Labour and Forced Labour; and
- iii. Ensuring Equal Opportunities

3. Kennametal Whistleblowing Policy

This policy offers further assistance in combating modern slavery, as it enables employees to bring issues such as slavery and human trafficking to the company's attention.

Further steps

We will always work to the highest professional standards and shall continue our efforts in eliminating acts of modern slavery within our business and supply chain.

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes our current slavery and human trafficking statement.

This policy applies to all employees of Kennametal UK Limited.

Date : 28th February 2017

Signed :



Andrew Godwin

Director

Kennametal UK Limited