INTRODUCTION FROM MARCUS WOO, DIRECTOR

This statement is made pursuant to s.54 of the Modern Slavery Act 2015 and sets out the steps that HTC Europe Co. Ltd. of Salamanca, Wellington Street, Slough, Berks SL1 1YP ("HTC Europe") 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.

We are committed to improving our practices to combat slavery and human trafficking. Modern slavery encompasses slavery, servitude, human trafficking and forced labour. HTC Europe 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.

ORGANISATION'S STRUCTURE

We are a provider of sales and marketing support services in the telecommunications sector. We are a part of the HTC Corporation Group of Companies; our ultimate parent company is HTC Corporation ("HTC") whose registered address is at No. 23 Xinghua Rd., Taoyuan Dist., Taoyuan City 330, Taiwan. HTC has its head office in Taiwan.

OUR BUSINESS

Our business is organised into two business units: one business unit provides sales and marketing support services to HTC in respect of the sale of HTC mobile phones and connected devices in the EMEA region. The other business unit provides sales and marketing support services to HTC in respect of HTC virtual reality products in the EMEA region.

Our supply chains includes the sourcing of service providers including but not limited to sales, marketing and human resources service providers. We operate a supplier policy and maintain 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 the particular organisation has never been convicted of offenses relating to modern slavery and on site audits which include a review of working conditions.

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.

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. We are working towards implementing an Anti-Slavery Policy that will reflect our commitment to acting ethically and with integrity in all our business relationships and to implementing and enforcing effective systems and controls to ensure slavery and human trafficking is not taking place anywhere in our supply chains.

DUE DILIGENCE PROCESSES FOR SLAVERY AND HUMAN TRAFFICKING

As part of our initiative to identify and mitigate risk we

Have in place systems to:

- Identify and assess potential risk areas in our supply chains.

- Mitigate the risk of slavery and human trafficking occurring in our supply chains.

- Monitor potential risk areas in our supply chains.

- Protect whistle blowers.

SUPPLIER ADHERENCE TO OUR VALUES AND ETHICS

We have zero tolerance to slavery and human trafficking. To ensure all those in our supply chain and contractors comply with our values we have in place a supply chain compliance programme. This consists of the HTC Supplier Code of Conduct that all our suppliers must agree to and observe. We conduct annual supplier review compliance audits on our suppliers according to the HTC Supplier Code of Conduct, to ensure our suppliers conform to their social responsibilities. Labour rights are the key part of the audit. In addition to the on-site audit, our auditing team also offers coaching and consultation, and provides the suppliers with all the latest information and knowledge during the audit process, to give them every opportunity for growth. This process also applies to the new suppliers' approval process.

TRAINING

To ensure a high level of understanding of the risks of modern slavery and human trafficking in our supply chains and our business, we aim to put a training programme

in place that will provide training to our procurement staff. We also require our business partners to provide training to their staff and suppliers and providers.

OUR EFFECTIVENESS IN COMBATING SLAVERY AND HUMAN TRAFFICKING

We have appointed an independent third party to conduct an externally facilitated review to bring insights on ways we can tackle slavery and human trafficking. By using the HTC audit tool to assess how effective we have been in ensuring that slavery and human trafficking is not taking place in any part of our business or supply chains.

FURTHER STEPS

Following a review of the effectiveness of the steps we have taken this year to ensure that there is no slavery or human trafficking in our supply chains we intend to take the following further steps to combat slavery and human trafficking:

1) Introduce an Anti-Slavery Policy;

2) Introduce a Modern Slavery and Human Trafficking training programme for our procurement team 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;

3) Enhance supply chain management; and

4) Continue to Supply Chain Corporate Social Responsibility compliance audit.

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes our slavery and human trafficking statement for the financial year ending 31st December 2017.

Marcus Woo
Director
HTC Europe Co., Ltd.

Date: 6th March 2018