

Modern Slavery Act Transparency Statement

Hitachi Automotive Systems Europe GmbH and Hitachi Automotive Systems UK Ltd. Modern Slavery Act 2015 Statement

Hitachi Automotive Systems Europe GmbH (“(HIAMS) EU”) and Hitachi Automotive Systems UK Ltd (“(HIAMS) EU-UK”) are both part of the Hitachi Group and are subsidiaries of Hitachi Automotive Systems, Ltd in Japan. (HIAMS) EU is headquartered in Schwaig, Germany and (HIAMS)-UK is headquartered in Bolton, UK. (HIAMS) EU and (HIAMS) EU-UK each sell automotive components into the UK market and are referred to jointly in this statement as “Hitachi Automotive Europe” or “we”.

Hitachi Automotive Europe supplies a variety of automotive products to the automotive industry under the Hitachi brand or under their customer’s brand. Some of these products are assembled in Hitachi Automotive Europe’s assembly plants in Germany, Czech Republic and the UK, whilst other products are imported from Hitachi’s automotive factories in Asia (including China and India) or in the Americas. Hitachi Automotive Europe’s business employs around 960 people.

Hitachi Automotive Europe has approximately 109 trade suppliers (of which 11 are Hitachi Group companies) and over 1000 non-trade suppliers. The suppliers are located in the European Union (EU-28 Member States), Asia and the Americas.

We are committed to conducting business ethically and to minimising the risk of slavery or human trafficking in our own business and in our supply chains.

We have in place a number of Company and Group policies which address issues relevant to slavery and human trafficking, including:

- the **Hitachi Group Codes of Conduct**
- the **Hitachi Group Human Rights Policy**
- written employment practices and procedures which ensure fair recruitment and treatment of employees
- a written whistleblowing procedure to encourage employees to report concerns of malpractice, which would include any concerns related to slavery and human trafficking issues

In the last financial year, we have taken the following steps to address the issue of modern slavery:

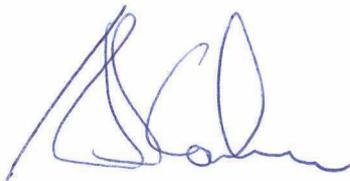
- we conducted a conflict minerals survey
- we conducted mandatory online training on the Hitachi Group Codes of Conduct with all our indirect employees and this will be conducted on an annual basis going forward

- a Modern Slavery elearning course is now available for all employees.
- we have prepared updated contractual provisions to include specific provisions relating to offences under the Modern Slavery Act and are currently planning the roll-out to our suppliers
- Hitachi, Ltd. has revised its Group CSR Supply Chain Guideline, which also applies to Hitachi Automotive Europe's operation.

Year on year we seek to progress our work on addressing modern slavery, during FY 2017 we plan to:

- focus on the process of mapping our supply chains and undertaking a full risk assessment to identify areas of potential risk for modern slavery.
- continue our review of our due diligence processes in the light of the results of the supply chain mapping and risk assessment exercises to ensure an appropriate risk-based approach.
- request all our indirect employees to complete the Modern Slavery elearning which includes examples of slavery and human trafficking and how employees should report concerns.
- review our Whistleblowers procedure to include the mention of modern slavery and trafficking and make employees aware of this within this FY.
- review and revise (where necessary) our sourcing procedures, once we have completed the risk assessment and review of due diligence processes.

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes Hitachi Automotive Europe's slavery and human trafficking statement for the financial year ended 31 March 2017. It has been approved by Hitachi Automotive Systems UK Limited's Board of Directors.



John Conlon
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Date: 22nd September 2017