

1. Introduction

This statement sets out the steps we, JAE Europe, Limited (JAE EU), have taken as a business to combat and eradicate issues relating to modern slavery and human trafficking both within our organisation and in our supply chain.

We recognise that the issues surrounding modern slavery and human trafficking are always changing and evolving and so we continue to strive to improve our processes, policies, rules and requirements to tackle these issues.

We are committed to upholding the highest of standards to remove modern slavery and human trafficking.

Our ethical policies are at the heart of everything we do and we have a zero tolerance approach to modern slavery and human trafficking. This applies to employees, workers, contractors, suppliers and agents.

2. Organisation's Structure

We are a supplier of technology solutions and have successfully established 3 strong products lines in Connectors, User Interface Solutions and Aerospace. We form part of a group of companies all acting in the same sectors.

JAE EU's parent company is Japan Aviation Electronics Industry, Limited (JAE HQ). Our parent company has its headquarters in Tokyo, Japan and within the group has over 5500 employees worldwide, while JAE EU itself employs 75 [31st March 2019].

For more information on JAE HQ corporate data see the following website pages:

- www.jae.com/en/profile.html - Corporate Overview
- https://www.jae.com/en/c_profile_e.pdf - Corporate Visuals in presentation form

3. Our Business

JAE EU's core business activities centre as a Sales/Distribution and Marketing/Engineering office and is segmented into business units such as;

- Automotive Connectors & Harnesses
- Aerospace, and
- Distribution, Industrial and Multimedia

Along with supporting functions such as Finance, HR, IT, Corporate Planning, Operations (including project management and Quality), Supply Chain and associative office administration and compliance functions.

4. Our Supply Chains

JAE EU does not directly manufacture any of its products nor have any direct involvement with procurement for the purposes of manufacturing.

JAE EU only purchases and supplies products which have been manufactured directly within the JAE Group. JAE EU purchases its manufactured products from six manufacturing entities within the group, these are JAE HQ, JAE Philippines, JAE Tijuana, JAE Oregon, JAE Wuxi, and JAE Taiwan.

Within a thriving office/sales based environment, JAE EU has a number of other suppliers to perform its operations efficiently. These suppliers will be supplying items such as stationery, food and beverages, furniture and office supplies.

5. Our adherence to JAE-HQ Corporate Policies on Slavery and Human Trafficking

JAE EU are committed to ensuring that there is no modern slavery or human trafficking in our supply chain (operational and logistics structure) nor in any part of our business.

JAE EU does not specifically have a localised Anti-slavery policy, however we are wholly committed to acting ethically and with integrity in all our business relationships and to implementing and enforcing effective systems and controls to ensure modern slavery and human trafficking is not taking place anywhere in our supply chain or business.

For the purposes of aforesaid, JAE EU actively monitors and observes various JAE HQ corporate policies and guidance, these can be found at the following links:

- <https://www.jae.com/en/charter.html> - JAE Group Charter of Corporate Behaviour
- <https://www.jae.com/en/human.html> - Commitment to Respect for Human Rights
- <https://www.jae.com/en/materials/mate03en.html> - Basic Policy for Procurement
- https://www.jae.com/en/materials/CSR_en.pdf - CSR Procurement Guideline(JAE Group)
- <https://www.jae.com/en/materials/mate05en.html> - JAE Group Conflict Mineral Procurement Policy

JAE EU in particular operates in strict accordance and compliance with JAE's Charter of Corporate Behaviour and JAE Commitment to Respect for Human Rights. See below for further information about JAE EU's commitment as a member of JAE group.

5.1. Elimination of Discrimination and Inhumane Treatment

- a) We do not engage in discrimination based on race, colour, age, gender, sexual orientation, gender identity, ethnicity or national origin, disability, pregnancy, religion, political affiliation, union membership, covered veteran status, protected genetic information or marital status in hiring and employment practices such as wages, promotions, rewards and access to training.

- b) We do not conduct medical tests or physical exams that could be used in a discriminatory way.
- c) We strive to prevent inhumane treatment of workers in the workplace, including any sexual harassment, abuse, corporal punishment, verbal abuse or mental or physical coercion. The work regulations define the requirements, types and procedures of disciplinary punishment with regard to these matters, which are communicated to all employees.

5.2. Prohibition of Child Labour

- a) We do not employ any person under the minimum age for employment stipulated by law in the country, under the age for completing compulsory education or under the age of 15, whichever is greatest.
- b) We do not have workers under the age of 18 perform work that is likely to jeopardise their health or safety, pursuant to the laws and regulations in the country.
- c) As for student workers who work in internship and other positions while studying at educational institutes, we appoint qualified trainers and managers who manage and maintain student records in accordance with the applicable laws and regulations and provide appropriate support and training.

5.3. Prohibition of Forced Labour

- a) We do not use forced or bonded labour, involuntary or exploitative prison labour or labour obtained through slavery or the trafficking of persons. (This includes transferring or receiving persons by means of threat, abduction, fraud, etc.)
- b) The written employment agreement describes the terms and conditions of employment in a language that is understood by employees.
- c) We do not confiscate or deny access by employees to their original identity documents, such as government-issued identification or passports.
- d) We do not request employees to pay the company's or agents' recruitment fees or other related fees for their employment.
- e) We do not work with any suppliers or manufacturers or any other third parties who are known to engage in any such activities.

5.4. Appropriate Working Hours

- a) We are fully compliant with all applicable laws relating to requirements on working time, holiday and rest breaks, including without limitation the Working Time Regulations 1998 and applicable

laws in any European countries in which we undertake activities (for example UK, Germany, Sweden, France).

5.5. Proper Wages

- a) We comply with the laws and regulations in the country pertaining to the payment of wages. We guarantee legally mandated minimum wages and compensate employees for overtime at pay rates greater than regular hourly rates.
- b) We inform all employees of the wage system and payment period through wage rules or by other means. As for compensation paid to individual employees, we provide wage statements that allow them to verify accurate compensation for work performed.
- c) We do not perform deductions from wages due to pay cuts as a disciplinary measure.

5.6. Freedom of Association

- a) In accordance with the laws and regulations in the country, we respect the right of all employees to form and join trade unions and bargain collectively by their free will. Employees and/or their representatives shall be able to openly communicate and share ideas and concerns with management regarding working conditions and management practices without fear of discrimination, intimidation, reprisal, etc.

6. Due diligence processes and risk assessment

The predominant part of JAE EU's supply chain is the logistics and supply/demand planning of products sold by JAE EU to its customer base. All products are manufactured internally with the JAE group (as described above) and so our activities as an office based sales environment are considered to be of lower risk in respect of modern slavery and human trafficking matters.

All JAE group companies are subject to the policies described at paragraph 5 above as well as JAE HQ's corporate social responsibility guidelines. All members of the JAE Group are held to the same high standard when it comes to ensuring that modern slavery and human trafficking plays no part in any of JAE's activities. And JAE Group requires those that supply parts and materials to JAE's group companies to implement the same high standard.

In recognition of the importance which JAE EU places on eradicating issues of modern slavery and human trafficking in respect of its work force, JAE EU monitors and undertakes periodic reviews of its employee's working hours and annual salaries for benchmarking purposes. This is to ensure not only that all relevant and applicable modern slavery and human trafficking laws are fully adhered to, but also that JAE EU remains fair and competitive in the markets in which it operates.

7. Supplier adherence to our values and ethics

We have zero tolerance to modern slavery and human trafficking.

If any of our third party suppliers are found to be in breach of any applicable laws or regulations relating to modern slavery and human trafficking or do not adhere to the standards we set, we will attempt to assist them to rectify the issue and if there is a major breach, we will consider terminating the legal and commercial relationship with that business. Persistent breaches by any of our third party suppliers will also be treated seriously and again we will consider terminating the relationship in such instances.

All JAE manufacturing sites are accredited to ISO9001:2015 or the higher IATF 16949:2016 standard. Sites producing automotive components are accredited to IATF 16949:2016.

To retain this accreditation, all sites & their associated remote functions & sales offices (JAE EU included) are subjected to regular audits (both internally & from the external Certification Body) to ensure we comply with the required standards.

These standards relate to many best practice operational, systematic and people related processes, e.g. working conditions, resource planning, managing work-loads for employees, motivating employees and training/skills requirements for efficiencies.

In addition, many sites at which the JAE Group manufacture products are accredited to ISO14001 which is an environmental standard and are similarly working towards VDA 6.3 which is a German standard relating to manufacturing in the automotive industry.

As a group, JAE is continually striving to improve its systems and processes to ensure there is no presence of any issues relating to modern slavery and human trafficking.

8. Training

We are now implementing a system whereby all new employees of JAE EU are notified of the obligations imposed on them relating to modern slavery and human trafficking. All new employees are directed to materials of all of JAE Group's policies which relate to them via JAE website and JAE EU Intranet, including those listed in this statement. They are expected to read and adhere to those policies and raise any comments or questions they have.

This statement is made by JAE EU pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes our modern slavery and human trafficking statement for the financial year ending 31st March 2019.

This statement was reviewed and approved by JAE EU Board of Directors on 25th March 2019.

Date:

26/Mar/2019

Signature:



Wataru Oyamada, **Managing Director**
JAE Europe, Limited