

Slavery and Human Trafficking Statement

1. About our Statement

Under the Modern Slavery Act 2015 of the United Kingdom (the “Slavery Act”), this statement sets out the steps that Yazaki Corporation and its group companies (“Yazaki”) have taken to ensure that slavery and human trafficking is not taking place in any of its supply chains and its own business.

Yazaki is totally opposed to slavery and human trafficking in its own business and its supply chains as a whole.

Yazaki’s understanding of slavery and human trafficking is based on the definitions set out in the Slavery Act.

2. Our Business

Yazaki’s core business is built around the manufacturing and sale of automobile parts. In addition, Yazaki manufactures and sells power cables, air conditioning equipment, gas equipment, etc.

Yazaki Corporation, with its registered head office in Tokyo, has operational world headquarters facilities in Susono City, Shizuoka prefecture, Japan. Yazaki has 166 subsidiary companies, operating 619 sites in 46 countries, most of which are located in North and South American, European, Northern African, and major Asian countries. Yazaki’s total global employment amounts to about 285,800 people. Yazaki’s operation in the UK is represented by Yazaki Europe, Limited, a subsidiary incorporated in Hemel Hempstead in the United Kingdom.

Yazaki develops its market on a global basis, which includes large regions of Europe, Asia, North and South America, Africa and Oceania.

3. Our Supply Chain

Yazaki purchases parts/materials for its products from various suppliers in and outside of Japan. Yazaki requests all first-tier suppliers in its supply chain to take appropriate steps based on the relevant policies stated below. Additionally, to influence further throughout the wider supply chain, we encourage our first-tier suppliers to apply such policies to their suppliers and sub-contractors so that it helps the mitigation of slavery or human trafficking risk in our whole supply chain.

4. Yazaki’s Relevant Corporate Policies

Yazaki prepares and distributes relevant policies to its employees and suppliers to ensure that slavery and human trafficking is not taking place in any part of its business or supply chain. Such policies are drafted by the appropriate division in charge and presented to a directors & officers meeting.

Once adopted, they are delivered to the employees, relevant divisions and subsidiaries, when needed.

For instance, Yazaki's relevant policies include:

For Employees of Yazaki Corporation

- CSR Policy (English Edition and Japanese Edition: the company website/the Yazaki intranet)
- Code of Conduct Handbook (English Edition and Japanese Edition: the Yazaki intranet/booklet)
- Supplier CSR Guidelines (English Edition and Japanese Edition: the company website)
- Yazaki Global Conflict Mineral Policy (English Edition and Japanese Edition: the Yazaki intranet)

For Suppliers of Yazaki Corporation

- CSR Policy (English Edition and Japanese Edition: the company website/the Yazaki intranet)
- Supplier CSR Guidelines (English Edition and Japan Edition: distributed in PDF version)
- Yazaki Global Conflict Mineral Policy (English Edition and Japan Edition: the company website)

Of the above, the Code of Conduct Handbook is available in English and Japanese, and covers relevant sections such as “Compliance with Laws and Regulations”, “Responsible sourcing”, “Respect for Human Rights”, “Safe and Healthy Work Environment” and “Talent Development”. Among others, the “Respect for Human Rights” section stipulates that employees should pay careful attention to ensure forced labour and child labour are not taking place in Yazaki's business. The Code of Conduct Handbook or similar documents set out fundamental management policy and the CSR policy based thereon, and Yazaki employees are expected to act with integrity in accordance with such rules. For instance, the Code of Conduct is posted on the Yazaki intranet, and a booklet is distributed to the employees who mainly work in Japan (including the employees of the affiliates and the personnel seconded from overseas). Such employees are recommended to carry the booklet with them while they are at work.

Yazaki has established internal whistleblower regulations and established a whistleblower system known as “YAZAKI EYE” in Japan, and similar hotlines in the US, Europe and China so that the employees are able to raise concerns.

In Europe a distinct reporting category for “Slavery and Human Trafficking” has been introduced to

in the whistleblower system to make all employees aware to address such concerns.

The Supplier CSR Guidelines above are available in English and Japanese, which provides for the “Purchasing Guidelines”. In addition, the Guidelines cover relevant matters such as compliance with laws and regulations, respect for human rights, prohibition of forced labour or child labour, and ensuring health and safety at workplace. The Supplier CSR Guidelines require the relevant suppliers to comply with the Supplier CSR Guidelines and other matters agreed with Yazaki, as well as to promptly report any violation, suspected violation or the like of the Guidelines or the agreements.

In Europe the Suppliers Code of Conduct has been established in English. The Suppliers Code of Conduct is similar to the Supplier CSR Guidelines above and supplements the “Purchasing Guidelines” in Europe. The Suppliers Code of Conduct has been implemented and distributed to about 700 suppliers. Currently about 300 suppliers already demonstrated their commitment to comply with the requirements of the Suppliers Code of Conduct.

5. Risk Assessment and Due Diligence

We consider that the greatest risk of slavery or human trafficking would be in our supply chain where we undertake procurement activities and where operations and managerial oversight are out of our direct control.

To gauge such risks, Yazaki examined each country in priority of likelihood of human rights violations, in light of the business scale of affiliates in each country. Based on such examination results, Yazaki continues establishing each foreign affiliate’s version of the Code of Conduct. Also, Yazaki examined the conditions regarding the policies, the procedures and the practices relating to issues such as non-discrimination, respect for human rights, forced labour, child labour and healthy and safe work environment by methods, for example, distributing the above “Supplier CSR Guidelines” and “Yazaki Supplier CSR Self-Assessment Sheet” to about 500 first-tier suppliers that are in Japan, ASEAN and other countries.

By aggregating the data from of the examination results, Yazaki can, among others, assess the overall trends of its suppliers. Yazaki will endeavour to take steps to rectify any problems identified through the aggregated results.

6. Effectiveness and Performance Review

As mentioned above, Yazaki examined the conditions regarding the policies, the procedures and the practices relating to the issues such as non-discrimination, respect for human rights, forced labour, child labour and healthy and safe work environment by methods, for example, distributing the above “Supplier CSR Guidelines” and “Yazaki Supplier CSR Self-Assessment Sheet” to about 500

first-tier suppliers that are in Japan, ASEAN and other countries. This enabled Yazaki to assess the risks of each supplier's efforts more clearly than before.

Yazaki will, based on the above risk assessment results, endeavour to conduct more efficient and continuous performance review regarding the risks in work environment, including slavery and human trafficking, in its supply chains.

In Europe customers addressed Yazaki to assess the actions taken on the prevention of Modern Slavery & Human Trafficking by surveying and during audits and Yazaki has the intention to actively cooperate with the customers.

7. Training and Awareness

Yazaki encourages its employees to deepen their understanding of the contents of the Code of Conduct Handbook above and similar documents by using the handbook or documents in various internal training.

Yazaki is also seeking to make the Code of Conduct or similar documents thoroughly known among its employees by methods, for example, posting articles aimed to enlighten the employees about the Code of Conduct on its internal newsletter in the booklet and Intranet.

In addition, Yazaki held CSR training sessions for about 100 employees who plan to work for Yazaki's foreign affiliates, in order to explain the framework of human rights and human rights-related risks such as child labour and forced labour, so that such employees could deepen their understanding of respect and consideration for human rights at each affiliate of Yazaki. Yazaki also provided e-learning type educational sessions regarding labour and human rights to administrative executives who are Japanese and local employees, both of whom work for affiliates in ASEAN countries (about 250 persons in 5 countries).

Furthermore, Yazaki holds a "Global Supplier Meeting" each year to have an opportunity to directly explain supply policies for the period, including respect for human rights, to its main first-tier suppliers in and outside Japan. Yazaki also holds "Cooperation Meetings", where Yazaki's main first-tier suppliers set up multiple working groups to share and consider several themes, including the CSR, so that the suppliers and Yazaki can deepen their mutual understanding of and rectify any problems.

This Statement was reviewed and approved by Yazaki Europe Limited's Board of Directors on September 26th, 2017.

September 26th, 2017

A handwritten signature in blue ink, consisting of a large, stylized 'A' followed by a horizontal line extending to the right.

Bo Inge Andersson

President

Yazaki Europe Limited