

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 (the data as of June 20th, 2019)

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 143 companies, operating in 45 countries, most of which are located in North, Central and South America, Europe, Africa, and major Asian countries. Yazaki's total global employment amounts to approximately two hundred fifty thousand 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, Central 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 not only our first-tier suppliers, but also second-tier suppliers and onward related to the transactions between Yazaki and first-tier suppliers, to apply such policies through the first-tier suppliers. We consider 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:

- CSR Policy (English Edition and Japanese Edition)
- Code of Conduct Handbook (English Edition and Japanese Edition)
- Supplier CSR Guidelines (English Edition and Japanese Edition)
- Yazaki Global Conflict Mineral Policy (English Edition and Japanese Edition)

Of the above, the Code of Conduct Handbook is prepared for the internal employees. The Handbook 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 sets 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 work in Japan (including the employees of the affiliates and the personnel seconded from overseas), and expat employees overseas. Such employees are recommended to carry the booklet with them while they are at work.

Yazaki has established a whistleblower system known as "YAZAKI EYE" in Japan through which employees are able to report any fraud or violations within the company. Similar hotlines have been established as well in North and Central America, Europe, China, and other countries.

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.

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.

Yazaki distributes the above "Supplier CSR Guidelines" and "Yazaki Supplier CSR Self-Assessment Sheet" to first-tier suppliers that are in Japan, ASEAN and other countries. This period, we used the aforementioned "Yazaki Supplier CSR Self-Assessment Sheet" to examine 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 to approximately 650 supplier companies. By scoring the data from the examination results, Yazaki was able to quantitatively assess the status of each of its supplier companies. The findings were then fed back to each of the supplier companies. In addition, based on scoring results, etc., we have prioritized suppliers in need of improvement and have engaged in direct discussions with these companies and other activities to improve operations at the companies.

6. Effectiveness and Performance Review

As mentioned above, Yazaki distributes the above "Supplier CSR Guidelines" and "Yazaki Supplier CSR Self-Assessment Sheet" to first-tier suppliers that are in Japan, ASEAN and other countries. This period, we used the aforementioned "Yazaki Supplier CSR Self-Assessment Sheet" to examine 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 to approximately 650 supplier companies. By scoring the data from of the examination results, Yazaki was able to quantitatively assess the status of each of its supplier companies. The findings were then fed back to each of the supplier companies. In addition, based on scoring results, etc., we have prioritized suppliers in need of improvement and have engaged in direct discussions with these companies and other activities to improve operations at these companies.

Further, Yazaki conducts a survey regarding measures related to local regulations on minimum employment age. This survey is scheduled to be conducted on a regular basis.

With respect to technical intern trainees hosted by Yazaki in Japan, audits of domestic subsidiary companies (the host offices) are conducted regularly based on the check sheet prepared by Yazaki as well as on-site.

In addition, Yazaki conducts an annual survey of labour management conditions (including child labour and forced labour) with respect to foreign nationals who are directly employed in Japan.

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 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.

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 approximately 150 main first-tier suppliers in and outside Japan.

Further, Yazaki invited external instructors to conduct CSR study sessions targeted at suppliers. These study sessions were attended not only by suppliers, but by Yazaki's procurement division employees as well. We intend to consider other human rights related training programs in the future.

Following enactment of the Technical Intern Training Act, Yazaki has also implemented programs to educate management personnel and related divisions at domestic subsidiary companies on the intent of the law and compliance matters. We have posted information on the Act on our internal intranet and created discussion forums for implementation as well.

This Statement was reviewed and approved by Yazaki Corporation's Board of Directors on August 30th, 2019.

August 30th, 2019



Shinji Yazaki
President, Representative Director
Yazaki Corporation.