

FUTABA MANUFACTURING UK LTD SLAVERY AND HUMAN TRAFFICKING POLICY

INTRODUCTION

The Modern Slavery Act 2015 ("the Act") came into effect on 29th October 2015. This statement, as required under the Act, sets out the steps Futaba Manufacturing UK Ltd ("FMUK"), is taking to reduce the risk of slavery and human trafficking taking place in its supply chains or in any part of its business.

This statement applies to FMUK and its sites located in Derby and Burnley respectively.

FMUK'S STRUCTURE AND ITS BUSINESS

FMUK is a tier 1 automotive supplier, which manufactures and supplies sub assembly component parts to several OEMs within the UK. It has as its core competencies the ability to press, weld, bend and paint sub-assemblies using a combination of both batch and Just in time sequence manufacturing technics, as well as the latest press and welding robotic technology.

FMUK'S SUPPLY CHAINS AND ITS POLICIES ON SLAVERY AND HUMAN TRAFFICKING

Principally, FMUK's supply chains include the provision of goods and services that are required for it to provide sub assembly components to its customers. FMUK expects the highest standards from all its suppliers and has put in place various measures to reduce the risk of slavery or human trafficking taking place in its supply chains or in any part of its business.

FMUK has put in place a new strict Anti-slavery and Human Trafficking clause within its procurement contract to reflect its commitment to acting ethically and with integrity in all its business relationships with suppliers. This includes implementing and enforcing effective systems and controls to minimise the risk of slavery and human trafficking taking place anywhere in its business or its supply chains. FMUK has also revised its Whistleblowing Policy to ensure employees are able to raise concerns about malpractice or wrongdoing, including in respect of slavery and human trafficking.

FMUK recognises the importance of enabling employees to speak out if they feel a malpractice is taking place. FMUK will continue to monitor both policies, and will update them as required.

FMUK's procurement contractual clause defines The Code of Conduct for Business Partners and defines FMUK's requirements and principles for all business dealings it has with suppliers and all other providers of goods and services. It includes specific prohibitions against the use of forced, compulsory or trafficked labour, or anyone held in servitude, whether adults or children. The procurement contractual clause sets out FMUK's expectations of suppliers and their supply chains, focusing particularly on the United Nations Global Compact's ten principles. FMUK expects its suppliers to hold their own suppliers to the same high standards.

FMUK'S EFFECTIVENESS IN COMBATING MODERN SLAVERY AND HUMAN TRAFFICKING

FMUK operates a risk-based approach to assessing supplier's conformance with, and performance against, the ten principles within the United Nations Global Compact. Applying a methodology which is based around a suppliers' country of operation and their category of supply. The results of this risk-based assessment procedure will continue to inform and develop FMUK's future risk management plans.

In addition, as part of its initiative to identify and mitigate risks associated with slavery and human trafficking, FMUK will continue to advance both its pre-contract, and post contract processes and procedures to:

- 1) identify and assess potential risk areas in its supply chains;
- 2) mitigate the risk of slavery and human trafficking occurring in its supply chains; and
- 3) monitor potential risk areas in its supply chains.

FMUK remains dedicated to strengthening its practices in this area and it will continue to develop further measures, including the training of staff where appropriate, to further reduce the risk of slavery and human trafficking taking place within its own business and across its supply chains.

BOARD LEVEL SIGN OFF

FMUK has zero tolerance to slavery and human trafficking in all its business dealings. FMUK is committed to the prevention of slavery and human trafficking in all its forms and will not tolerate or condone it within any part of its business or supply chains.

This statement is made pursuant to section 54(1) of the Act and constitutes FMUK's slavery and human trafficking statement for the financial year ending 31 March 2020.

Kevin Schofield



Managing Director

Futaba Manufacturing UK Ltd

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