

# Modern Slavery and Human Traffic Statement

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This statement is made in accordance with the United Kingdom Modern Slavery Act 2015, Chapter 30, Part 6, Section 54. It sets out the activities that the following companies within DENSO CORPORATION have taken to ensure that modern slavery and human trafficking is not taking place in any of our supply chains and our business:

- DENSO EUROPE B.V.;
- DENSO INTERNATIONAL UK LTD.;
- DENSO MARSTON LTD.;
- DENSO MANUFACTURING UK LTD.; and
- DENSO SALES UK LTD.

(These five companies are collectively referred to hereafter in this statement as the “**UK DENSO COMPANIES**”).

The UK DENSO COMPANIES are proud of the steps they have taken to combat slavery and human trafficking within their businesses and supply chains.

## Company/Business and Supply Chain Overview

### **a. Company/Business**

DENSO CORPORATION operates a global network of 188 consolidated subsidiaries in 38 countries and regions, with over 150,000 employees. It supplies automotive parts, components and systems to automakers around the world. The UK DENSO COMPANIES work together in the manufacture and selling of certain products in the UK.

For details of DENSO CORPORATION and its business overviews, please visit the following link:

<https://www.denso.com/global/en/about-us/global-network/>

## **b. Supply Chain**

DENSO CORPORATION has a global supply chain with approximately 5,600 suppliers, enabling it to achieve the optimum procurement of parts, raw materials and equipment. Its group-wide annual procurement spend is approx. JPY 20 trillion.

DENSO CORPORATION has an “open, fair and clean trade principle”, and the UK DENSO COMPANIES comply with its procurement principles which can be found at the following link:

<https://www.denso.com/global/en/about-us/procurement/>

## **DENSO Policies related to Slavery and Human Trafficking**

DENSO CORPORATION has formulated the DENSO Group Declaration of Corporate Behaviour (“**Declaration**”), which contains the group’s basic policies regarding corporate social responsibility. The Declaration is adhered to by all of the UK DENSO COMPANIES, and expresses respect for human rights and the prohibition of forced/child labor in any DENSO business. For further details of the Declaration, please visit the following link:

<https://www.denso.com/global/en/csr/csr-policy/policy/pdf/declaration.pdf>

DENSO CORPORATION requires all of its suppliers to confirm their understanding of and cooperation to the Declaration:

The UK DENSO COMPANIES require their suppliers to agree to a basic transaction contract which addresses issues such as compliance, protection of human rights, environmental conservation and occupational safety, and requires them to have a specifically assigned Corporate Social Responsibility (CSR) contact. DENSO CORPORATION has developed “Supplier CSR Guidelines” based on requests from industry organizations and customers both in Japan and overseas, in order to promote its supplier’s understanding and practice of CSR including respect for human rights. The UK DENSO COMPANIES adhere to the Supplier CSR Guidelines.

For details of the DENSO CORPORATION’s supply chain management principles, please visit the following link:

<https://www.denso.com/global/en/csr/sociality-report/suppliers/supply-chain/>

## Our Initiatives to prevent Slavery and Human Trafficking

### DENSO Initiatives

#### **a. Code of Conduct Formulation and Delivery**

DENSO CORPORATION has formulated a Code of Conduct (“CoC”) for Japan, North America, Europe, China, Asia and Oceania, and India, which takes into consideration the culture and history of each region, to describe the necessary behavior for ensuring that each company within the group accepts and adheres to the Declaration and demonstrates desirable conduct.

The CoC contains stipulations regarding, among others, compliance with applicable laws, regulations, ethical guidelines on day-to-day operations, prohibition of any conduct which conflicts with human rights, and the creation of a vibrant, safe and pleasant work environment.

All of the UK DENSO COMPANIES adhere to the CoC.

#### **b. Employee Training and Enlightenment**

DENSO CORPORATION takes steps to ensure that all of its group companies, including the UK DENSO COMPANIES, are aware of the provisions in the CoC.

In particular, the procurement divisions responsible for supply chain management in the UK DENSO COMPANIES ensure that their employees are aware of the CoC so that they carry out their duties in accordance with the “open, fair and clean trade principle” at all times.

#### **c. Establishment of Hotline/Helpline**

Each of the UK DENSO COMPANIES has an established whistleblower system which receives reports and consultations for compliance related problems, including but not limited to any breaches of human rights.

## Due Diligence Process in Supply Chain

### a. Self-check and Dialogue

DENSO CORPORATION recognizes that the biggest risk of modern slavery and human trafficking exists in the supply chain, and requests major suppliers to regularly self-check according to its “Supplier CSR Guidelines”. The UK DENSO COMPANIES monitor the results of their suppliers’ self-check results, and work with them to promote improvements where gaps are identified.

The UK DENSO COMPANIES require its suppliers to request the implementation of similar initiatives from their own suppliers.

### b. Respond to the Issue of Conflict Minerals

Minerals that originate from the Democratic Republic of the Congo and adjoining countries are mined through non-humanitarian acts, and it is said that these minerals are used to finance armed groups. Accordingly, conflict minerals are becoming a significant social problem in regard to human rights.

The UK DENSO COMPANIES continue to make efforts to avoid the use of conflict minerals through cooperation with suppliers and an annual investigation of the state of usage of conflict minerals.

## FURTHER STEPS

The UK DENSO COMPANIES recognize the importance of protecting human rights, and will continue to promote business activities considering the prevention of human rights infringements such as modern slavery and human trafficking. The UK DENSO COMPANIES will also continue to make efforts to improve the initiatives in stages while gaining the understanding and cooperation of suppliers.

**This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes the slavery and human trafficking statement for the financial year ending 31st of March 2017 for the following companies:**

**DENSO EUROPE B.V.**

Sadahiro USUI

**DENSO INTERNATIONAL UK LTD.**

Sadahiro USUI

**DENSO MARSTON LTD.**

David HANSON

**DENSO MANUFACTURING UK LTD.**

Mark HAYWARD

**DENSO SALES UK LTD.**

Alan RICHARDS

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes the slavery and human trafficking statement for the financial year ending 31st of March 2017 for the following companies:

DENSO EUROPE B.V.  
Signed by Sadahiro Usui

DENSO INTERNATIONAL UK LTD.  
Signed by Sadahiro Usui

.....*S. Usui*.....

.....*S. Usui*.....

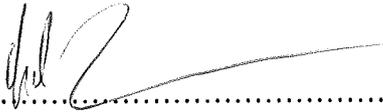
Date:.....*13 March 2017*.....

Date:.....*13 March 2017*.....

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes the slavery and human trafficking statement for the financial year ending 31st of March 2017 for the following companies:

DENSO MARSTON LTD.

Signed by David Hanson

  
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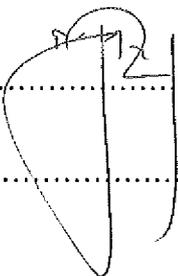
Date: 13<sup>th</sup> MARCH 2017.....

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes the slavery and human trafficking statement for the financial year ending 31st of March 2017 for the following companies:

DENSO MANUFACTURING UK LTD.

Signed by Mark Hayward

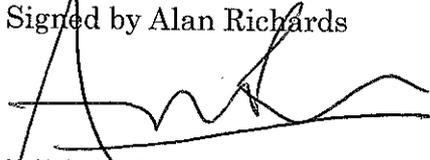
.....  
Date:..... 20 March 2017.



This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes the slavery and human trafficking statement for the financial year ending 31st of March 2017 for the following companies:

DENSO SALES UK LTD.

Signed by Alan Richards

A handwritten signature in black ink, appearing to read 'Alan Richards', written over a solid horizontal line.

Date: 13 MAR 2017