

Modern Slavery Act Transparency Statement

Hitachi Europe Limited Modern Slavery Act 2015 Statement

Hitachi Europe Limited is part of the Hitachi Group and is a wholly-owned subsidiary of Hitachi, Ltd. in Japan. Our business in the UK is headquartered in Maidenhead, with significant presences in London, Cambridge and Liverpool. We also have branch offices in Istanbul (Turkey), Warsaw (Poland), Johannesburg (South Africa) and Copenhagen (Denmark), and representative offices in Vilnius (Lithuania) and Bucharest (Romania).

Our UK business operates as a European corporate centre for Hitachi, Ltd. and houses a number of diverse businesses which are organised into operational business groups supplying a variety of products and services under the Hitachi brand. These business groups include:

- the Digital Media Group – sources and sells LED TVs, projectors, flat screen panels, sound bars, digital receivers, security solutions and accessories. Consumer products are available in the UK via retailers such as Argos;
- the Information Systems Group – focusses on digital security solutions and finger vein technology, a secure, simple and safe way for banks to identify their customers by reading their unique vein pattern;
- the Power Device Division – provides advanced high reliability semiconductors – including insulated gate bipolar transistors, integrated circuits and diodes – to industrial, rail, automotive and consumer markets. These components deliver high power efficiency for precise electric power control, in applications ranging from motors to grid level power transmission;
- the Particle Beam Therapy Group – provides systems to deliver proton therapy, one of the most advanced forms of cancer therapy available, offering treatment with pinpoint accuracy and minimal side effects; and
- the Digital Solutions Group – offers digital solutions, combining Hitachi's extensive operational technology and advanced IT capability to meet client needs in areas including connected communities, energy management and electric mobility.

We also provide corporate and administrative services to other Hitachi Group Companies. Our UK business, and its overseas branch and representative offices, employs approximately 310 people and had a turnover in the 2016/2017 financial year of approximately £173 million.

A significant proportion of the products supplied by us are manufactured by Hitachi Group Companies in Japan with others coming from Asian markets including, China, Malaysia, Thailand and the Philippines. We have approximately 45 active trade suppliers (of which over 20 are Hitachi Group Companies) and approximately 850 non-trade suppliers.

We are committed to conducting business ethically and to minimising the risk of slavery or human trafficking in our own business and in our supply chains as much as possible.

We have a number of company and Group policies which address issues relevant to slavery and human trafficking, including:

- the [Hitachi Group Codes of Conduct](#)
- the [Hitachi Group Human Rights Policy](#)
- written employment practices and procedures which ensure fair recruitment and treatment of employees

- a written whistleblowing procedure to encourage employees to report concerns of malpractice, which would include any concerns related to slavery and human trafficking issues

In the last financial year we have taken the following steps to address the issue of modern slavery:

- we have continued to map our supply chains in order to assess the potential risk of modern slavery being present
- Hitachi, Ltd. has revised its [Group CSR Supply Chain Guideline](#) which also applies to Hitachi Europe's operations. The guideline includes relevant labour standards for suppliers such as freely chosen employment, minimum worker age, working hours, wages and humane treatment
- we have procured a modern slavery e-learning programme which raises awareness of different manifestations of modern slavery and trafficking and explains how these should be reported. The module is available to all employees
- we continue to be members of the UN Global Compact's UK Modern Slavery Working Group and participate in the Human Rights Groups of CSR Europe, BSR as well as the Shift Business Learning Program in order to stay up to date on best practice and to benefit from stakeholder input

Year on year we seek to progress our work on addressing modern slavery. During FY2017 we plan:

- to further clarify our expectations of suppliers as to how they should address modern slavery issues
- to hold workshops with business groups to outline the expectations and discuss plans going forward
- to review and define our human rights due diligence process for the supply chain including revision of sourcing procedures to be shared with the business groups
- to invite those responsible for procurement to attend an Addressing Social Issues in the Supply Chain collaborative learning project with other Group Companies offered by Hitachi's European CSR team
- to request all employees to complete the Modern Slavery e-learning module
- to identify relevant KPIs for tracking progress

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes Hitachi Europe Limited's slavery and human trafficking statement for the financial year ended 31 March 2017. It has been approved by Hitachi Europe Limited's Board of Directors.



Kazuo Abe
Managing Director
Date: 26 July 2017