

Modern Slavery Act Transparency Statement

Hitachi High-Technologies Europe GmbH

Modern Slavery Act 2015 Statement for the year ending 31 March 2019

Hitachi High-Technologies Europe GmbH recognises the importance of identifying and preventing modern slavery and its causes in our business and supply chain. This statement, our fourth made pursuant to Section 54(1) of the Modern Slavery Act 2015, sets out the steps we have taken to prevent modern slavery and human trafficking in our business and supply chain in the year ending 31 March 2019, as well as our plans for the current year. It covers Hitachi High-Technologies Europe GmbH only. For other Hitachi Group company statements please see the relevant company website or visit www.hitachi.eu/en-gb/modern-slavery-act.

Our Business

Hitachi High-Technologies Europe GmbH is part of the Hitachi Group and is a wholly owned subsidiary of Hitachi High-Technologies Corporation in Japan. Our business in Europe is headquartered in Krefeld, Germany, with additional offices in Mannheim (Germany), Vélizy (France), Rotkreuz (Switzerland), Milano (Italy), Maidenhead (UK), Daresbury (UK) and Solna (Sweden), which are involved in sales and service.

Our business in Europe employs some 140 people and had a turnover in the 2018/2019 financial year of approximately EUR 805M / GBP 689M.

Operations

Our European business offers products, which are mostly manufactured by Hitachi High-Technologies Corporation and is organized into five product groups:

1. Semiconductor Equipment Business (electron microscopes, semiconductor equipment);
2. Medical System (Clinical chemistry analysers, immunoassay analysers, clinical laboratory automation systems);
3. Analytical Instruments (high performance liquid analysers, amino acid analysers, V/VIS/NIR spectrophotometer, fluorescence spectrophotometer);
4. Industrial Solution Business (diodes, magnetrons, HDD, polarizers, high speed data transmitter and receiver, local procurement of various materials);
5. New Business Development.

Our Supply Chain

Our business groups supply a variety of products and services under the Hitachi brand. We had 34 Non-European suppliers (28 in Asia, 6 in USA and Canada). The majority in these areas are Hitachi Group companies. 87% of our suppliers are based in Europe (whereupon 33% in UK). Hitachi Group companies in Asia, primarily in Japan, manufacture the majority of the products supplied by us.

Our Approach

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.

Our commitment and work is strongly supported by Hitachi, Ltd., whose President and CEO, Toshiaki Higashihara, recently signed the World Business Council for Sustainable Development's [CEO Guide to Human Rights](#) calling for CEOs to go beyond compliance to drive transformative change in corporate respect for human rights.

In line with Hitachi's global human rights approach to create a value chain where the human rights of all stakeholders are respected, Hitachi High-Technologies Europe GmbH seeks to work with suppliers that actively address modern slavery and to work collaboratively with those still developing their processes in this area. We also strive to engage employees in understanding why addressing modern slavery is important and how to identify and act on indicators of slavery.

Our three key areas of focus in addressing modern slavery so far have been (1) supplier engagement, (2) raising awareness and building expertise in Hitachi High-Technologies Europe GmbH, and (3) collaborating with external organisations and stakeholders.

We acknowledge that we are on a journey and, in common with other companies, face challenges, which include engaging suppliers where we have low influence on and try to fully understanding the sub-tiers of our supply chain. This is why we collaborate with external stakeholders and experts to overcome such challenges and ensure that our work is robust and effective.

Our Policies

We continue to apply our company and Group policies, which address issues relevant to slavery and human trafficking:

- The Hitachi Group Codes of Conduct refers to respecting human rights, in particular hiring employees according to international standards and not engaging in child or forced labour. Please visit: <http://www.hitachi.com/corporate/about/conduct/index.html>
- The Hitachi Group CSR Procurement Guideline. It specifically calls for freely chosen employment, appropriate working ages, working hours, wages and benefits as well as humane treatment, non-discrimination and freedom of association. Please visit: <https://www.hitachi-hightech.com/global/about/procurement/policy.html>
- The Hitachi Group Human Rights Policy sets out Hitachi's commitment to undertake Human Rights Due Diligence in accordance with the UN Guiding Principles to identify and address human rights issues, including those related to modern slavery. Please visit: http://www.hitachi.com/sustainability/renew/pdf/human_rights_policy.pdf
- Our employment practices and procedures ensure fair recruitment and treatment of employees.
- A written whistleblowing procedure encourages employees to report concerns of malpractice, which would include any concerns related to modern slavery and human trafficking issues.

Our Progress to Date

Over the last year, we have:

1. Supplier engagement
 - We revised our contracts with business partners and committed them to act with sincerity and fairness in a highly ethical manner. In particular, we committed them to comply with the Hitachi Codes of Conduct, which focusses on the protection of human rights and the avoidance of modern slavery. We replaced existing contracts by the revised version.
2. Raised awareness and built expertise
 - We have joined a cross-group European Responsible Supply Chain Working Group co-led by Hitachi Europe's Sustainability and Value Chain Integration teams. All Hitachi Group companies in Europe are invited to join this collective learning group which aims to support Group companies in strengthening their consideration of social impacts within their supply chains, and specifically to:
 1. increase the understanding of Hitachi's approach as set out in the Hitachi Group's Human Rights Policy and with reference to drivers for implementing the UN Guiding Principles, such as the regulatory environment in Europe in relation to business and human rights including the UK Modern Slavery Act;
 2. build capacity in understanding how salient human rights issues in the supply chain can be assessed and prioritised;
 3. build capacity in managing challenges and identified salient human rights risks proactively;
 4. equip group companies with the knowledge, guidance and tools on how to embed human rights due diligence with suppliers; and
 5. provide an information exchange platform among Hitachi companies in Europe to discuss challenges and good practice.
3. Collaborated with external organisations and stakeholders
 - Hitachi Europe, Hitachi's regional corporate head office, has continued to participate in and share learnings across the Hitachi Group from:
 - The UN Global Compact's UK Modern Slavery Working Group (MSWG), taking part in an exercise regarding "modern slavery statement peer review" with members of the MSWG. We have therefore benefited from cross-sector learning, including presentations and discussion with the Slavery & Trafficking Risk Template Committee.
 - BSR (Business for Social Responsibility), a global not for profit organisation, participating in their Human Rights Working Group. Hitachi Europe took part in peer learning, openly discussing challenges and solutions.
 - Shift's Business Learning Program, benefiting through shared learning on best practice and support from peers and stakeholders.
 - techUK's Sustainable Supply Chain group, providing access to learning from peers in the technology sector on modern slavery.
 - Shift, the business and human rights experts, have inputted into and guided the direction of Hitachi's European Responsible Supply Chain Working Group.

Our Future Plans

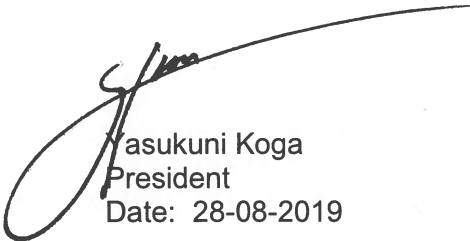
Over the coming year and beyond we plan to focus on the following areas:

- Implementing Human Rights Due Diligence
 - We will performed a high-level risk analysis of our suppliers based on their operating sector and country location. Our initial focus will be on manufacturing

or electronics suppliers as the risks associated with these sectors are deemed to be higher in relation to other sectors.

- Investigate the potential modern slavery impacts related to the identified high-risk suppliers followed by appropriate communication to discuss the issues with a view to developing plans to address identified impacts.
- Develop the risk analysis of our suppliers further and increase awareness with key suppliers as appropriate.
- Add questions on modern slavery and human trafficking to the supplier onboarding process with the objective of raising red flags at the outset.
- Raising awareness and building expertise
 - In FY2019, the plans for the Human Rights Working Group in Hitachi Group companies in Europe include meetings that feature regulation/legislation updates, news from Hitachi, Ltd. on the overall direction of the Hitachi Group and updates from Group companies. The meetings in financial year 2019 will specifically focus on (1) assessing and prioritising salient human rights issues in the supply chain and (2) managing challenges.
 - Increase employees' participation in the modern slavery e-learning by making it mandatory for all employees.

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes Hitachi High-Technologies Europe GmbH slavery and human trafficking statement for the financial year ended 31 March 2019. It has been approved by Hitachi High-Technologies Europe GmbH's CEOs.



Yasukuni Koga
President
Date: 28-08-2019