

Hitachi Capital (UK) PLC

Anti-Slavery and Human Trafficking Statement 2018

Company Overview

Hitachi Capital (UK) PLC is a wholly owned subsidiary of Hitachi Capital Corporation in Japan. Our business is headquartered in Staines-upon-Thames, with a significant presence in Leeds, Newbury, Trowbridge and Telford.

We are a leading financial services company, providing innovative solutions to consumers, small to medium enterprises (SMEs) and corporate multinationals. Our business comprises five trading divisions; Consumer Finance, Vehicle Solutions, Business Finance, Invoice Finance and European Vendor Solutions. Together the business employs over 1,200 people and had net earning assets of approximately £4.8 billion in the financial year ended 31 March 2018.

Business is sourced direct (for example, via the internet) or through retailers and brokers, who introduce customers to us. We have several thousand suppliers, including those organisations which introduce business.

Our Policies and Principles

We are committed to conducting business ethically and to ensuring that the risk of slavery and human trafficking taking place within our business or in our supply chains is mitigated and we expect our suppliers to meet the same high standards. This is done through engagement with suppliers and partners to ensure they meet the standards set by law, educating staff on the risk of modern slavery and, in areas identified as being high risk, ensuring successful preventative or mitigating action is taken.

We have in place a number of Company and Group policies and procedures which address issues relevant to slavery and human trafficking, including:

- [The Hitachi Capital Group Codes of Conduct](#);
- [The Hitachi Capital Group Human Rights Policy](#);
- Written employment practices and procedures which ensure fair recruitment and treatment of employees;
- A written whistleblowing policy and procedure, which enables employees to report in confidence any concerns of malpractice or other unethical behaviour, including any areas where they believe that HCUK may not be procuring goods and services in accordance with acceptable ethical standards; and
- A written procurement policy outlining our requirements that suppliers operate in an ethical manner, including the operation of appropriate anti-slavery and human trafficking measures.

Action taken during the year ended 31 March 2018

In the past financial year we have taken action with the aim of ensuring that the slavery and human trafficking is not taking place in any part of our business or in our supply chains. This has included the following:-

Hitachi Capital Group Codes of Conduct:

The Company adopted the Hitachi Capital Group Codes of Conduct, which form part of the Hitachi Capital Global Compliance Programme. The Codes commit the Company to respect international standards of conduct regarding human rights, including specific commitment not to procure goods or services from any organisations which use child labour or forced labour.

On-line training on the Codes is mandatory for relevant levels of executive management.

Corporate Social Responsibility:

The Board approved a new Corporate Social Responsibility (CSR) policy in line with the Hitachi Capital Group Social Contribution Activity Mission Statement. As well as applying to all staff, the CSR policy requires our business partners to follow it (or equivalent policies of their own) in relation to human rights in our supply chain. The policy also sets out reporting approaches for each area of the Company's CSR programme, including business and human rights, which will include key performance indicators designed to measure the effectiveness of our anti-slavery and human trafficking measures.

Procurement:

Our Procurement function implemented the policy updated last year in relation to our suppliers and business introducers. This involved enhancing due diligence to ensure that we understand the supply chain before committing to any new or renewed business. It also included upgrading our contracts with suppliers of cleaning and security services at two of our sites to ensure that the wages they pay to their staff align with the "Real Living Wage" (which is based on actual living costs and is higher than the mandatory minimum wage).

Contracts:

We have continued to extend the use of contractual provisions requiring suppliers to comply with the Modern Slavery Act specifically and/or with all applicable UK legislation.

Risk Assessment:

We established an Enterprise Risk Management team which completed the implementation of a formal enterprise risk framework comprising the identification and assessment of potential risks to the Company and the controls and actions necessary to mitigate those risks. The risk register relating to the Procurement function expressly identifies the potential risk of dealing with suppliers which cannot demonstrate that they (and their supply chains) comply with the Modern Slavery Act and other legal requirements and includes appropriate mitigants (including the requirement for robust tender processes and the enhanced due diligence and actions described above).

Best Practice:

We continued to liaise with other Hitachi companies in order to remain aware of good practice. In the past financial year this included Procurement staff attending a workshop on social issues in the supply chain which was organised by Hitachi Europe Ltd and supported by Shift, a non-profitmaking organisation whose mission is to put into practice the UN Guiding Principles on Business and Human Rights.

Our continuing commitment

We will continue to take these and other steps during the current financial year, with the aim of ensuring that slavery and human trafficking do not occur in any part of our business or our supply chains.

Approved by the Board

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes Hitachi Capital (UK) PLC's slavery and human trafficking statement for the financial year ended 31 March 2018. It was approved by the Board on 19th September 2018.

A handwritten signature in black ink, appearing to be 'R. Gordon', written in a cursive style.

Robert Gordon

Chief Executive Officer