

MODERN SLAVERY POLICY STATEMENT

1. The Modern Slavery Act 2015 transparency statement for the Fiscal year ending 31 March 2024

This statement is made on behalf of Niterra UK Ltd. pursuant to Section 54 (Part 6) of the Modern Slavery Act 2015. Niterra UK Ltd. is a wholly owned subsidiary of Niterra Co.,Ltd., based in Japan.

2. Statement of Niterra UK Ltd. In Compliance With S54(5)

2.1 Organisation Structure, Business and Supply Chains

Niterra UK Ltd. is the sole importer and distributor of spark plugs, automotive sensors for internal combustion engines, semiconductor packages, cutting tools and industrial ceramics, which are primarily Niterra Group products, in the United Kingdom.

Niterra Co.,Ltd., headquartered in Nagoya, Japan, was founded in 1936. We manufacture a comprehensive range of products using ceramics as a primary raw material. The Niterra Group holds

- a leading share in the global market for spark plugs and automotive oxygen sensors for internal combustion engines.

We also offer a broad range of semiconductor packages, cutting tools, bio ceramics for medical treatments and industrial ceramics. Through a global network of sales and manufacturing businesses employing approximately 16,000 employees, we offer high quality products in most of the world's developed markets. The manufacturing supply chain (Tier1) is located mainly in Japan, represented by more than 1,000 companies, which are suppliers of the Niterra Co.,Ltd.

3. Policies In Relation To Slavery And Human Trafficking

In 1996, Niterra Co.,Ltd. established our corporate philosophy. To put the philosophy into practice, we established our Corporate Code of Conduct in 1998. In the first article of the Corporate Code of Conduct, we declared that "the company respects human rights, whether inside or outside of Japan, and complies with all applicable laws, international rules and the spirit of those laws and rules".

We declare in our Human Rights policy that we will continually strive to eliminate discrimination in employment, all kinds of harassment, forced labor and child labor and that we respect human rights of all people who are affected by our business activities.

On 15th November 2016, we signed and committed ourselves to the United Nations Global Compact (UNGC) because the ten principles of UNGC match our Code of Conduct and CSR Policy. In order to contribute to the creation of a sustainable society, the Group supports the ten principles of "human rights", "labour", "environment" and "anti-corruption", which the UNGC imposes, by promoting CSR and "As a good member of society", we declared that we will promote various activities.

- For more information of UNGC, please refer to the following web pages:<https://www.unglobalcompact.org/>
- <https://unglobalcompact.org/what-is-gc/participants/99381-Niterra-Co-Ltd->

A central rule (Group Human Resource rule) for all group companies prohibits discrimination, harassment, abuse,

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forced labour (which includes human trafficking, child labour, slave labour and any other type of forced labour) and promotes equality in all circumstances.

- In addition, the group has introduced a business ethics helpline, to which we have drawn the attention of most employees and plans to extend that globally. Our whistle-blowers policy encourages the reporting by employees of any wrongful conduct.

4. Registered office

Registered Office: % Field Fisher Waterhouse LLP, Riverbank House, 2 Swan Lane, London, EC4R 3TT.

Registers in England No: 1212088

5. Due Diligence Processes In Relation To Slavery And Human Trafficking

5.1 Business And Supply Chains

Nitera Co.,Ltd. has concluded "a Business Basics Contract" with all business partners, which stipulates, in Article 4 (Corporate Social Responsibility), that they must adhere to domestic and foreign legal requirements, such as human rights and health and safety regulations, abolish all forms of discrimination such as employment discrimination, guarantee equality of opportunity and prohibit forced and child labour.

Furthermore, we require those partners to report to us every example of violation together with the improvement measures and the improvement results in case of such violations.

In addition, we are dealing with conflict minerals that are sources of funds for armed groups using forced labour, child labour etc. in the Democratic Republic of Congo and its surrounding nine countries. We ask suppliers to procure resources and raw materials responsibly within the CSR and Sustainability Procurement Guidelines, in which we aim to stop procurement from those areas, including the Democratic Republic of Congo and its surrounding countries, where conflict minerals are a source of funds for armed groups involved with forced labour, child labour, etc.

In May 2013, Nitera Co.,Ltd. established "CSR and Sustainability Procurement Guidelines" and rolled them out to all business partners. In those guidelines, we share our policies in a number of key areas with our business partners.

Those policies concern environment, human rights and labour, business continuity plan, business ethics, information security, occupational health and safety and product quality and safety. In order to guarantee the prohibition of forced labour, inhumane treatment, child labour, and all forms of discrimination, they are detailed in a clause covering employees' human rights, together with rules concerning appropriate wages, appropriate working hours and the right of organisation.

In addition, the guidelines also require partners to have a responsible procurement policy for resources and raw materials in order to comply with the guidelines regarding conflict minerals.

- We lower the risk of violating human rights by informing suppliers of our CSR and Sustainability Procurement Guidelines and asking them to adapt the guidelines in their operations, at seminars for suppliers.
- We request suppliers to perform self-evaluation with the "CSR Self-Inspection Check Sheet" and ask for improvements when their results show a high risk of violating human rights.
- We strive to eliminate or reduce the use or consumption of conflict minerals as much as possible where our supply chain could involve any use or consumption of the conflict minerals, by conducting an assessment across all tiers of the supply chain.

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Parts Of The Business And Supply Chains Where There Is A Risk Of Slavery And Human Trafficking Taking Place, And The Steps Taken To Assess And Manage That Risk

Our overseas group companies operate in 21 countries. We identify and focus on countries with high human rights risks, including Japan, by referring to the maps of NGOs such as Transparency International. We attempt to identify risks derived from forced labour, human trafficking etc., which may lead us to commit criminal acts or violate reporting obligations if laws are tightened in future. We also attempt to identify risks arising from the application of laws by other countries across borders. The risks that we consider are those which impact the Group's businesses by damaging our corporate reputation, upsetting relationships with our customers, restricting access to investment and financing and by disrupting the supply chain.

All business partners are requested to conduct a periodic self-audit (CSA) in accordance with the "CSR and Sustainability Procurement Guidelines" to explain their regulatory compliance system in respect of human rights, labour (forced labour, child labour, trafficking, working conditions, etc.) and, when it becomes necessary, Niterra Co.,Ltd. conducts an audit of its partners and oversees an improvement plan.

In addition, we are strengthening our policies by extending our CSR and Sustainability procurement guidelines to business partners further upstream in the supply chain, and by requiring them to influence their business partners further up the supply chain (Tier 2 -).

Within the Group, Niterra Co.,Ltd. conducts CSR surveys every year to identify the level of compliance with human rights and labour related regulations (forced labour, child labour, human trafficking, working conditions, etc.), followed by the development of action plans to remedy any weaknesses (risks) identified for each company. The progress of action plans is monitored by headquarters to make sure that the plans are completed in a timely and effective manner.

Effectiveness In Ensuring That Slavery And Human Trafficking Is Not Taking Place In The Business Or Supply Chains And Comparison With Appropriate Performance Indicators

5.2 Suppliers

In the fiscal year ending March 2022, Niterra Co.,Ltd. requested 936 suppliers to fill out our "CSR Self-Inspection Check Sheet (CSA)" for self-evaluation, in which there were several human rights related questions including slavery and human trafficking. We received a good level of response from 726 suppliers. The survey results were shared with the suppliers individually and they were supported in plans for improvement if necessary. From the survey results in this fiscal year, no suppliers were identified, who needed corrective action with respect to human rights.

5.3 Group Companies

We conduct CSR activity surveys every year with our group companies as well as suppliers. We also conducted a survey in 2022 and received responses from 38 companies out of 39 companies. As a result, we have not identified any group companies that need to be improved.

5.4 Training And Capacity Building Of Staff In Relation To Slavery And Human Trafficking

- Niterra Co., Ltd. provides comprehensive CSR training courses covering human rights violations for management and generic CSR training courses for all employees.

Niterrra UK Ltd. has set up a Modern Slavery Act training program for employee education. Refresher training took place annually. In addition, we induct all staff and provide this statement to all staff along with placing it on our Intranet and UK Website.

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5.5 Whistleblowing

Our Whistle Blowing Policy encourages staff to use the dedicated Whistle Blowing portal or phone line to report any wrong doings anonymously.

Marko Wowczynya



Managing Director

Niterrra UK Ltd.

16/4/2024

6. Appendix

6.1 RASIC

Responsible	Accountable	Supporting	Informed	Consulted
QEHS	M Wowczynya	Director	Local entity and Website	All Staff

6.2 Related policies and procedures

Related documents
Compliance training annual slides

6.3 Version History

Version	Date	Author	Changes
1.0	15/06/2023	C Lowther	Major review and updated to Niterrra template, date changed for training under 5.4 to annually. Version changed to include end of year date.
2.0	01/05/2024	C Lowther	Updated year dates, and spacing, added Website to Section 6.1.