

SLAVERY AND HUMAN TRAFFICKING STATEMENT FOR MARELLI AUTOMOTIVE SYSTEMS EUROPE PLC AND ITS SUBSIDIARIES FOR THE YEAR ENDED 31ST DECEMBER 2023

This statement is made pursuant to Section 54 of the Modern Slavery Act 2015 (the “Act”) by Marelli Automotive Systems Europe plc on behalf of all subsidiaries to which Section 54 of the Act applies (“Subsidiaries”).

This Statement sets out the steps that Marelli has taken to address the risks of slavery and human trafficking being present within its operations and supply chain, and has been adopted by the Subsidiaries as their respective slavery and human trafficking statement for the financial year ending 31st December 2023.

OUR ORGANISATION & SUPPLY CHAIN

Marelli is one of the world’s leading global independent suppliers to the automotive sector.

We oppose modern slavery in all its forms, including human trafficking, forced or compulsory labour, bonded labour, servitude and child labour.

We unequivocally support the human rights of our workforce and also the workforce of our global suppliers and believe that everyone deserves a life free from slavery.

We recognise the role that businesses can play in combatting these exploitative crimes. We are committed to being a socially responsible corporate citizen, and to conduct ourselves in a way that considers and promotes our social and ethical responsibilities. We will continuously seek to implement and improve our policies and procedures to ensure that all forms of slavery are not present within our operations or supply chain.

Our Organisational Structure

Marelli Automotive Systems Europe plc and its subsidiaries are part of a wider group of companies belonging to Marelli Holdings Co., Ltd, headquartered in Japan (“Marelli”).

With 43,585 employees worldwide, the Marelli group footprint includes manufacturing sites and non-productive sites across Asia, the Americas, Europe and Africa as at the end of 2023.

Marelli Holdings Co, Ltd is the highest decision making body for the whole Marelli Group and introduces standardised global policies and procedures that apply to all subsidiary companies within the group, including Marelli Automotive Systems Europe plc and its subsidiaries.

Our Supply Chain

Marelli is a purchaser of parts, assemblies, components, raw materials, tooling, and equipment. The supply chain within the automotive industry is highly complex and our supply chain typically consists of many layers between the goods that we sell and the raw materials that enter the manufacturing process.

The majority of Marelli purchases are from 3rd party suppliers, however we also conduct inter-company purchases from within the group, and we might also be supplied with parts from 3rd parties who have been selected directly by our customers.

Marelli is also a purchaser of services, including outsourced services which are labour dependant.

POLICIES & PROCEDURES

Our internal policies, procedures and controls ensure that we make grounded business decisions that consider the broader impact of our corporate actions on our wider community.

Our internal compliance framework covers three main areas: to comply with (i) legal and regulatory requirements, (ii) company policies, regulations and procedures and (iii) social norms, ethical and moral standards.

Code of Conduct

Our compliance framework is supported by our Code of Conduct (the “**Code**”) which represents our core values. The Code is available in 19 languages, applies to all stakeholders and offers a clear framework around how we interact with customer, suppliers, communities, governments and employees. It aims to ensure that all members of Marelli’s workforce act with the highest level of integrity, comply with applicable laws and build a better future for our company and the communities where we run our business.

Marelli endorses the United Nations Universal Declaration on Human Rights and the International Labour Organization (“ILO”), and accordingly, the Code is intended to be consistent with such guidelines. The Code includes an obligation to comply with employment laws, and to respect the human rights of all human beings.

Human Rights Policy

At Marelli, upholding the highest standards of human rights is a fundamental value that we consider non-negotiable. To underscore our commitment to this critical issue, we reflect these values in our Code of Conduct and our Human Rights Policy. The Human Rights Policy aims to manage and reduce potential risks of human rights violations in our operations and our supply chain.

Employee Representation

Under our Human Rights Policy, we recognize the right of our employees to freely form or take part in trade unions or other organizations aimed at defending and promoting their interests, aligning with local laws. Collective agreements cover topics such as employees' health and safety (the provision of protective clothing, compensation in case of injury, etc.), working conditions (wages, working time, flexibility schemes, vacation days, etc.), and training (training opportunities, the availability of funds for training, etc.), as well as discrimination and harassment. As of December 31, 2023, collective bargaining agreements covered 78% of Marelli's employees.

Purchasing Values

Marelli aims to conduct itself as an accountable and responsible business across our full value chain and is committed to developing and implementing sustainable purchasing activities. To create long-term value for our stakeholders, we demand that our partners and suppliers comply with a set of requirements for conducting business with our Company.

Appointment of Suppliers

Our global suppliers are requested to sign the Marelli Purchase Agreement, which regulates the business relationship's framework and contains environmental and social clauses that cover conflict minerals, ethics and compliance. We proactively engage our suppliers in sustainability initiatives through our Supplier Sustainability Program. On-site audits are conducted at selected suppliers to identify any non-conformance to the mandatory corporate social responsibility (CSR) requirements.

Conflict Minerals Policy

Conflict minerals are natural resources of tin, tungsten, tantalum, and gold (3TG) extracted in conflict zones, which may be linked to human rights abuses and armed groups.

Marelli is a signatory of the Responsible Minerals Initiative and our suppliers are required to respect the Organization for Economic Co-operation and Development (OECD)/ RMI guidelines.

Annually, we require our suppliers to disclose the source(s) of any conflict minerals used in their products and comply with applicable laws and regulations including the European Regulation on Registration, Evaluation, Authorization and Restriction of Chemicals (REACH). Furthermore, we request the availability of related International Material Data System (IMDS) documentation for each component.

Integrity Hotline

We have established an Integrity Hotline, which allows employees and third parties to report possible violations of the Code, company policies or procedures, or laws and regulations. The channel is available 24/7 and in 18 local languages. This system fosters a culture of integrity and ethical decision-making, in alignment with our company values.

DUE DILIGENCE PROCESSES

Recruitment

We conduct right to work checks on all direct employees of Marelli Automotive Systems Europe plc and its subsidiaries; this includes checking that our employees are of an appropriate age to work and that, where applicable, the employee has a valid work visa.

3rd party due diligence

The primary risk exposure for our business lies in our supply chain so building a responsible and resilient supply chain is a top priority for Marelli.

Within Marelli's supply chain structure a dedicated Purchasing Department engages with local and global partners to ensure all our products and services suppliers comply with the terms and conditions set out in our standard Marelli Purchase Agreement, which mandates compliance with the UN Principles for International Human Rights Protection and Environmental Stewardship.

Supply chain risks are identified through our external AI platform provider which predicts potential disruptions periodically by mapping and monitoring the ESG, macro-economic, geo-political, and natural disaster risks that all direct and indirect suppliers are facing.

On-site audits are conducted at selected suppliers to identify any non-conformance to our mandatory corporate social responsibility (CSR) requirements.

RISK ASSESSMENT & MANAGEMENT

As part of our Corporate Governance, Marelli revised its integrated Risk Management System, through an Enterprise Risk Management (ERM) process, including environmental, social and governance (ESG) risks, based on the ISO 31000 standard. The goal of this updated system is to create and improve performance, encourage innovation, and support the achievement of business and ESG objectives.

TRAINING

In 2023, we conducted extensive training on subjects relating to compliance and human rights to make sure that our employees understand and are aligned with the company's standards, this included 15,002 hours of training specifically on human rights.)

EVOLVING APPROACH TO SLAVERY AND HUMAN TRAFFICKING RISKS

Marelli is a company committed to ongoing improvement, and we will continue to implement an ongoing programme to improve and strengthen our compliance activities. In accordance with the requirements of the Act, this statement will be reviewed, updated and published annually.

BOARD APPROVAL

This statement has been made on behalf of Marelli Automotive Systems Europe plc on behalf of its subsidiaries. It has been approved by Marelli Automotive Systems Europe plc and all its UK registered trading subsidiary companies pursuant to board of director approval. A full list of such companies is held at Marelli Automotive Systems Europe plc's registered office in accordance with the Act. The board of Directors of each company has delegated authority to Mr. Paul Paton to sign this statement on their behalf.



Karen Myring

Director

Marelli Automotive Systems Europe plc