

MITSUBISHI HITACHI POWER SYSTEMS EUROPE, LTD.

MODERN SLAVERY AND HUMAN TRAFFICKING STATEMENT

Mitsubishi Hitachi Power Systems Europe, Ltd. (MHPS-EU) modern slavery and human trafficking statement for the financial year ending 31 March 2019 pursuant to section 54 of the Modern Slavery Act 2015. This statement has been approved by the board of directors of MHPS-EU. This statement is applicable to MHPS-EU and its subsidiaries and branches

OUR BUSINESS, STRUCTURE AND SUPPLY CHAINS

MHPS-EU is a subsidiary of Mitsubishi Hitachi Power Systems, Ltd. one of the world's leading suppliers of equipment and services to the power generation market headquartered in Yokohama, Japan.

MHPS-EU is headquartered in London and provides a wide variety of products and services in the field of thermal power generation systems and environmental technology across Europe, the Middle East and Africa. MHPS-EU has branch offices in Italy, Ireland, Turkey, the Netherlands, Spain and Tunisia and subsidiaries in Egypt, Romania and Germany.

The majority of the equipment, parts and components procured by MHPS-EU is from our Japanese parent company or from suppliers located in the European Union and consists of high value engineered parts. We have a limited need for mass produced components. In order to carry out maintenance services to meet customer requirements, MHPS-EU may procure third party labour services from both the European Union and other countries in which we operate.

Further details can be found at <http://www.emea.mhps.com>

OUR POLICIES ON SLAVERY AND HUMAN TRAFFICKING

MHPS-EU is committed to taking effective steps to assess, prevent and mitigate the risk of modern slavery in our operations and supply chains. We aim to be transparent about these steps and expect the same of our suppliers and contractors.

We adopted by board resolution the Mitsubishi Heavy Industries (MHI) Group Global Code of Conduct. We adopted the MHI Code since MHI is the majority shareholder of our parent company. The Code prohibits the use of compulsory or forced labour and child labour, and requires us to maintain a framework of fair and just remuneration, fair working hours and benefits.

The Code is available at: <https://www.mhi.com/company/aboutmhi/policy/conduct.html>

We created our group's Modern Slavery Act policy which is communicated to all our employees and is available internally for their reference. We regularly remind our employees of the requirements to comply with our policies and discuss compliance topics, including compliance with the Modern Slavery Act.

We continue to work with our suppliers and our contractors, to ensure that we apply common standards and philosophies to help the eradication of modern slavery and human trafficking.

We ensure consistent messaging of the Group Global Code of Conduct throughout our business and management at all levels, as well as communicating our expectations to our supply chain.

DUE DILIGENCE PROCESSES

In order to identify and respond to modern slavery and human trafficking risks, we adopt a risk based approach and have put processes in place whereby:

- We review specific risk areas such as Child Labour and Human Trafficking with each prospective vendor through vendor profile screening questionnaires;
- We seek to mitigate the risk of modern slavery and human trafficking occurring in our business and supply chains through regular audits and reviews;
- To ensure that our employees know how to identify the warning signs of modern slavery and can take appropriate action in response, we ensure that they receive focused training on modern slavery in particular and the MHI Group Code of Conduct and Global Policies and Procedures in general. Further details are provided below under the heading "Training".
- We protect whistle blowers, including on issues related to modern slavery. This protection is communicated to all our employees through our Whistleblowing Policy and employee handbook.

STEPS TO ASSESS AND MANAGE RISKS

Several functions in our organization support our measures to assess and manage modern slavery and human trafficking risks. These include amongst others:

- Internal Control and Compliance, through training and management of compliance policies and procedures.
- Legal, through interaction with staff and management and with external law firms and legal advisors, ensure that we remain at the forefront of changes in legislation and corporate requirements.
- Human Resources, through development of the relevant policies which cover our staff's interaction with internal and external parties. (E.g. Employee Handbook, Equal Opportunity policy and others)
- Quality, Health, Safety & Environment, through the management of vendor due diligence and the assessment of vendor profile information questionnaires.

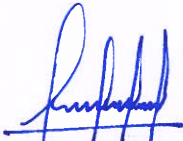
TRAINING

To ensure that our staff understand and can identify modern slavery and human trafficking risks in our supply chains and business, we have developed and provided specific Modern Slavery Act training to our staff. In addition our staff is required to participate to mandatory training sessions including amongst others, training on the MHI Group's Global Code of Conduct training. We closely monitor the results of this training. Our Legal and Compliance teams also attended a focussed seminar on Modern Slavery and how it intersects with the responsibility to respect human rights under the UN Guiding Principles.

OUR EFFECTIVENESS IN ELIMINATING SLAVERY AND HUMAN TRAFFICKING

To promote the effectiveness of the steps outlined in this statement, during the last 12 months, MHPS-EU continued to foster a culture that promoted Compliance awareness, incorporating Modern Slavery and how it can arise in the sectors in which we operate and purchase goods and services.

This statement was approved by the board of directors of MHPS-EU on 8th August 2019.

A handwritten signature in blue ink, appearing to read 'Carlos Gonzalez Peton'.

Mr. Carlos Gonzalez Peton
Chief Executive Officer
Mitsubishi Hitachi Power Systems Europe, Ltd.