

The Colt Car Company Limited

Slavery and Human Trafficking Transparency Statement for the period 1 April 2020 to 31 March 2021 ('FY 2020')

This is The Colt Car Company Limited's (CCC) fifth Modern Slavery Statement which is made pursuant to Section 54 (Part 6) of the Modern Slavery Act 2015 ('Act') and sets out the steps that we have taken during the previous financial year to ensure that slavery and human trafficking is not operating within either its own business or its supply chains.

This Statement has been approved by the Board of Directors and signed by Carolyn Stephenson, the Company Secretary of CCC.

Company Overview

CCC continues to be the sole importer and distributor of Mitsubishi vehicles, parts and accessories in the United Kingdom. It is a wholly owned subsidiary of Mitsubishi Corporation based in Japan.

CCC works in alliance with an independent network of Mitsubishi franchised dealers throughout the United Kingdom. Whilst these dealerships are neither owned nor controlled by CCC, it nevertheless remains an important requirement that they operate to the same anti-slavery and anti-human trafficking principles applied by CCC in relation to its own business and to that of its supply chain. CCC continues to work closely with these dealerships in ensuring they uphold the same standards of care within their own establishments and those of their supply chain.

CCC's Philosophies and Principles

CCC's Corporate Code of Conduct provides a set of rules based on both national and international standards to ensure CCC's employees are upholding the highest level of ethical conduct in their day-to-day business.

CCC strives to ensure that it does not contribute towards adverse human rights impacts through its supply chains. There is an ongoing commitment to engage only those suppliers that uphold the same principles as CCC and where necessary ensure the implementation of corrective action measures. In the event that suppliers fail to take steps to cease or prevent adverse human rights impacts, CCC will reconsider its business relationships with those suppliers.

CCC's activities during the period FY2020 related to the prevention of slavery and human trafficking

Supply Chain Management

CCC source a wide range of goods and services from suppliers based in the United Kingdom and overseas.

In all of its dealings with those suppliers it strives to ensure that the highest ethical standards are reached at all times. As part of this ongoing requirement, there will be increased focus on the requirement for a long term commitment by those suppliers to eradicate slavery and human trafficking in their own businesses and supply chains.

CCC has been working in conjunction with Mitsubishi Corporation International Europe (MCIE) and MCIE'S appointed consultant during FY2020 in order to facilitate a deep dive human rights impact assessment exercise into CCC's supply chain. The Human Rights Impact Assessment (HRIA) has to date comprised of the following:

- Selecting CCC'S top 20 suppliers in terms of both expenditure and risk
- Agreeing a sample of suppliers taken from the top 20 to engage in the initial fact finding exercise.
- Decision made to focus on 10 vehicle parts and accessories suppliers who were carefully selected on the basis of their risk ratios namely their or 2nd tier supplier's 'country of origin' being in high risk areas i.e. Asia
- Narrowing down to 2 or 3 suppliers based on best quality response i.e. increased likelihood of engagement going forward.
- Leather seat supplier ('Selected Supplier') primarily selected on the basis of its willingness to engage with the HRIA. Its premises in both Indonesia and Poland makes it ideal for investigation given the potential for unethical labour practices.
- CCC had agreed to schedule a visit to the Selected Supplier's premises during FY2020 but unfortunately this was put on hold due to the government constraints brought about as a result of the coronavirus pandemic.
- Continued dialogue with the Selected Supplier has been made difficult by the pandemic. However, there are plans afoot to reboot the HRIA as a desktop exercise which will involve virtual interviews with employees of the Selected Supplier in order to better understand current operations. The desktop HRIA will also help assess any risk and its associated impact on the Selected Supplier and its own supply chain.
- The Selected Supplier has been asked to provide the following information as part of the desktop HRIA:

Information requests

- **Your employees:** List of names as well as job types/departments, list of employee committees, details any employees that are contract (not permanent), details of any apprentices/interns, Workforce broken down by gender, nationality and ethnicity.
- **Your business:** The main products and services you provide, your major customers and customer industries
- **Your suppliers:** List of all suppliers and service providers and their locations, details of any known sub-contractors
- **Your policies and processes:** Copies of handbooks, SOPs relating to employees, corporate governance/ethical conduct, suppliers, business partner management, privacy, communities. Details of any grievance mechanisms you have e.g. for employees, customers, suppliers, communities
- **Your results:** of previous assessments, audits and risk investigations
- **Your partnerships:** Details of any other stakeholder relationships you have e.g. with unions, local government, industry bodies, NGOs

Through the HRIA, CCC is seeking to understand and identify:

a) The **actual and potential impacts on human rights** associated with its leather supply chain

b) **Existing good practices used to manage human right risks** at different levels of the supply chain

c) Opportunities for improvement

CCC is committed to using the HRIA template for future deep dive exercises with other suppliers in all future reporting and as part of its ongoing obligations under Section 54 (Part 6) of the Act.

CCC's continued commitment

CCC recognises the importance of maintaining constant vigilance to identify and address any impacts associated with slavery and human trafficking throughout its supply chains. In recognition of the salience of these issues, CCC's is committed to continuing to enhance its capacity to identify, prevent and mitigate any actual or potential impacts in this field.

Monitoring programme

Continued internal monitoring of its supply chains remains a priority for CCC. Those suppliers which have been identified as high risk due to their territorial reach are more heavily monitored to ensure that their working practices (and those of their supply chain) are compliant. Contracts with those suppliers (including those who pose a medium/low risk) require an undertaking from the supplier in relation to their compliance with the Act.

CCC employees who work in those areas of the business more exposed to supply chain risk are appropriately trained to ensure that such risks are contained.

CCC continues to monitor a selection of higher risk suppliers asking them to complete a 'refresher' questionnaire in an attempt to identify any issues or concerns.

Approval by CCC's Board of Directors

I, Carolyn Stephenson, hereby certify that the information contained in the above FY2020 Slavery and Human Trafficking Transparency Statement is factual and has been approved by CCC's Board of Directors.

Signed:



Name: Hajime Machimura

Position: Chairman

Date: 5 March 2021