

Modern Slavery Act Statement on the prevention of Slavery and Human Trafficking at Kapsch TrafficCom Group

BY BERND KARGER, EXECUTIVE VICE PRESIDENT SUPPLY CHAIN MANAGEMENT

We are committed to improve our practices to combat slavery and human trafficking as described in the Modern Slavery Act 2015 Section 54. Kapsch TrafficCom Group strives for ethical business practices by working to identify and eliminate any slavery and human trafficking in any of its supply chains and businesses.

1. ORGANISATION'S STRUCTURE

We are a global provider of intelligent transportation systems and products in the fields of tolling, traffic management, smart urban mobility, traffic safety and security and connected vehicles. As a one-stop solutions provider, Kapsch TrafficCom offers end-to-end solutions covering the entire value creation chain of its customers, from components and design to the implementation and operation of systems in the communications and mobility sector. We are the parent company of the Kapsch TrafficCom Group. This Group has over 6300 employees worldwide and operates in 38 countries on 6 continents.

The Group has a global annual turnover of € 737,8 million (fiscal year 2018/19)

This statement applies to all of the companies which are in the Kapsch TrafficCom Group, its affiliates such as, Kapsch TrafficCom AB, Kapsch TrafficCom Australia Pty Ltd and others as well as including the mother company Kapsch AG. The full company structure is at this link:

<https://www.kapsch.net/kapsch/about-us/Kapsch-Worldwide>

2. OUR SUPPLY CHAINS

Our supply chains include: The sourcing and procurement of Finished Goods, electronic-; mechanical- and electromechanical components, Software, Licences and Services to support our customer projects and installations as well as the production of our goods.

3. OUR POLICIES ON SLAVERY AND HUMAN TRAFFICKING

We are committed to ensuring that there is no modern slavery or human trafficking in our supply chains or in any part of our business. Our corporate values reflect our commitment to acting ethically and with integrity in all our business relationships and to implementing and enforcing effective systems and controls to ensure slavery and human trafficking is not taking place anywhere in our supply chains.

Our core values can be found here: <https://www.kapsch.net/kapsch/about-us/values>.

A link to our Code of Conduct (including our Sustainability and Corporate Responsibility Policy) can be found here: <https://www.kapsch.net/kapsch/about-us/code-of-conduct?lang=en-us> It contains provisions about human rights and labor standards, and about our expectations of our business partners.

The Core Values and other policies mentioned above are under regular review and assessment, to reflect more closely our commitments in relation to slavery and human trafficking

4. DUE DILIGENCE PROCESSES FOR SLAVERY AND HUMAN TRAFFICKING

As part of our initiative to identify and mitigate risk, we will require suppliers classed as high risk to complete a dedicated modern slavery questionnaire to cover their governance, policies, training and supply chain management processes require suppliers on an annual basis to provide full details of the supply chains they are proposing to use, as a part of our assessment templates and procedures.

For our fiscal year 2020/2021 it is planned to further establish systems to:

- Identify and assess potential risk areas in our supply chains.
- Mitigate the risk of slavery and human trafficking occurring in our supply chains.
- Monitor potential risk areas in our supply chains.
- Protect whistle blowers

5. SUPPLIER ADHERENCE TO OUR CORE VALUES AND PROCESSES

We have zero tolerance to slavery and human trafficking. To ensure all those in our supply chain and contractors comply with our Supplier Evaluation & Selection HSSEQ Process Description. We are committed to a rigorous supply chain compliance programme.

We have a committed compliance team, which consists of representatives from the following departments:

Legal	HSSEQ	Purchasing
Human Resources	Solution Centers and R&D	Operations
Sales	Trade Compliance	Manufacturing

6. TRAINING

To ensure a high level of understanding of the risks of modern slavery and human trafficking in our supply chains and our business, we are in the process of establishing a training programme for our staff, and in the process of reviewing our contracts with our business suppliers with a view to including requirements on them, to provide training to their staff and suppliers and providers.

7. OUR EFFECTIVENESS IN COMBATING SLAVERY AND HUMAN TRAFFICKING

We are in the process of formulating Key Performance Indicators (KPIs) to measure how effective we have been to ensure that slavery and human trafficking is not taking place in any part of our business or supply chains. Those KPIs are likely to include (but not restricted to):

- Number of staff trained on modern slavery issues
- Number of slavery reports received
- Number of supplier audits



Bernd Karger
Executive Vice President
Global Supply Chain Management

This statement was approved by the
Board on [date]



Andre Janz