

Modern Slavery Act 2015: statement on slavery and human trafficking

INTRODUCTION

This statement sets out the steps that e2v technologies plc and its subsidiaries (“e2v” or the “e2v Group”) have taken to ensure that slavery and human trafficking is not taking place within our business, or within our supply chains. This statement is published pursuant to section 54 of the Modern Slavery Act 2015 and covers the financial year ended 31 March 2016.

e2v recognises that slavery and human trafficking can occur in many forms including forced labour, child labour, domestic servitude, sex trafficking and workplace abuse. e2v is wholly opposed to such abuses of a person’s freedoms and rights. We have taken, and will continue to take, a number of steps to endeavour to ensure that slavery and human trafficking do not take place in any part of our business or our supply chains.

OUR BUSINESS AND STRUCTURE - BRINGING LIFE TO TECHNOLOGY™

At e2v we partner with our customers to improve, save and protect people’s lives. e2v is engaged in the design, manufacture and supply of specialist components and sub-systems into niche sectors within the medical and science, aerospace and defence and the commercial and industrial markets.

e2v operates through three Divisions:

- Imaging: Professional Imaging provides high performance image sensors and camera solution in the form of customer specific products or application specific standard products; Space Imaging provides high performance and high quality space qualified imaging sensors and arrays for space science and astronomy applications and high speed, high resolution sensors for earth observation satellites;
- RF Power: produces components and sub-systems that deliver high performance and high reliability radio frequency power generation for healthcare, industrial and defence applications; and
- Semiconductors: provides a range of high reliability versions of standard products for use in aerospace applications, and products providing market leading performance for space and radio frequency communications and the test and measurement sectors.

We operate in international markets, with global supply chains. In the period covered by this statement the e2v Group had an annual revenue of £236m, with over 1,750 employees

worldwide in offices in the UK, France, Spain, Sweden, USA, Hong Kong, Korea, Taiwan, Japan and China.

During the year to March 2016, responsibility for managing the procurement requirements of the business moved from a central procurement function, to procurement teams sitting within each of our Divisions.

OUR SUPPLY CHAINS

The majority of e2v's direct supply chain consists of producers of complex machined components and electronic assemblies based in Western Europe, Asia and the USA. These direct suppliers are considered to be relatively stable, require skilled labour to produce goods and have high cost entry barriers due to the complex requirements of e2v and our customers. The business considers that the risk of human trafficking and modern slavery in these supply chains is relatively low.

e2v considers that its indirect supply chain and tier 2 suppliers present a somewhat greater risk, especially where such suppliers are not directly managed by e2v. These are typically companies that produce sub-assemblies for tier 1 suppliers or companies that furnish our tier 1 suppliers with raw materials. Even here, e2v will commonly source raw materials from tier 2 suppliers to ensure they meet e2v specifications, meaning that e2v will have direct relationships with these suppliers.

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. In keeping with our commitment to act with integrity in all our business dealings, many of e2v's policies and processes are relevant, directly or indirectly, to ensuring that this is and remains the case.

Relevant policies include:

- Code of Conduct & Supplier Code of Conduct;
- Ethics policy;
- Procurement policy;
- Disclosure/whistle-blowing policy;
- Prevention of Bribery and Corrupt Practices policy; and
- Supplier Selection and Development Process

e2v is committed to ensuring that we conduct all our business relationships with honesty and integrity, and to high ethical standards in accordance with applicable laws and regulations. Our Code of Conduct reflects this commitment and establishes the framework within which all e2v employees, wherever based around the world must comply.

Our Procurement Policy requires that suppliers of goods and services to e2v must comply with all relevant legislation and international standards (including the UN Global Compact Principles and International Labour Organisation (ILO) Conventions and Recommendations) in particular in relation to: trading policy, child and forced labour, health and safety of workers, non-discrimination, employment law, human rights and bribery and corruption.

e2v's standard terms and conditions of purchase require suppliers to comply with all relevant law and legislation and, in particular, require suppliers to have regard to laws relating to child labour.

DUE DILIGENCE PROCESSES FOR SLAVERY AND HUMAN TRAFFICKING

We operate a Supplier Accreditation Process in each of our Divisions. New suppliers are required to complete the Supplier Application Process which assesses suitability across a range of factors, including operating in an ethical and legally compliant manner. The supplier assessment process also reviews a supplier's culture as well as compliance with legal obligations.

Suppliers are specifically asked if they can demonstrate that they operate with:

- freedom to choose employment;
- freedom of association with the right to collective bargaining;
- no usage of child labour;
- payment of a living wage and avoidance of excessive working hours; and
- provision of regular employment.

To ensure all those in our supply chain comply with our values we require suppliers to adhere to the e2v Code of Conduct or demonstrate that they adhere to an equivalent code of ethics or values.

Each of our Divisions operates a supplier audit schedule, which audit includes elements directed at endeavouring to ensure that human trafficking and modern slavery do not occur. We have strong relationships with our direct suppliers and take measures to uncover any unethical practices in their operations. Aside from the standard social and ethical questionnaires that suppliers complete during initial on-boarding and ongoing annual audits, we also carry out business reviews with suppliers at which more detailed questions can be asked on specific topics of interest.

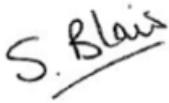
FURTHER STEPS

Following a review of the effectiveness of the steps we have taken this year we intend to take the following further steps to combat slavery and human trafficking:

- Explicitly include slavery and trafficking within our revised Code of Conduct and associated training;

- Ensure all existing key suppliers confirm compliance with the Modern Slavery Act and demonstrate that they have policies and processes in place to ensure that neither slavery nor human trafficking are taking place within their organisations; and
- Develop a template for onsite and offsite supplier audits, to address specific areas ensuring a supplier's compliance with the Modern Slavery Act.

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes our slavery and human trafficking statement for the financial year ending 31 March 2016 as approved by the Board of e2v technologies plc.



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Steve Blair
Group CEO
e2v technologies plc

Date: 21 October 2016