

Modern Slavery and Human Trafficking Statement

Faist Group

Introduction

This is our Modern Slavery and Human Trafficking Statement for the financial year 2018. It sets down Faist Group's commitment to preventing slavery and human trafficking in our business activities and describes what we have put in place to ensure that there is no slavery or human trafficking in our business and supply chains.

Organisational structure and supply chains

Faist Group is organized in the following Business Units: Industrial, Controls & Propulsion Systems, Light Metals, Truck Bodies and Energy Management.

Each of them is autonomous in conducting the business, and consists of a number of direct and indirect subsidiary undertakings located in such countries as Italy, United States of America, Mexico, China, Romania, United Kingdom, Turkey, Germany, Switzerland, France and Spain.

During 2018 the group has continued enjoying growth and has acquired two new businesses in Italy: Moor of Venice Srl and Società Agricola Le Thadee Srl.

Below is the complete list of Faist undertakings:

Direct subsidiaries

Company name	Country of incorporation
Faist Componenti SpA	Italy
Faist Light Metals Limited	England and Wales
Scattolini Otomotiv	Turkey
Scattolini SpA	Italy
Moor of Venice Srl	Italy
Società Agricola Le Thadee Srl	Italy

Indirect subsidiaries

Company name	Country of incorporation
Faist Light Metals Tennessee LLC	United States of America
Faist Alucast S.de.r.l. de C.V.	Mexico
Faist Systeme GmbH	Germany
Faist Light Metals Switzerland GmbH	Switzerland
Faist Light Metals Engineering Srl	Italy

Faist Mekatronic Srl	Romania
Faist Microtech Ltd (part of the group until October 2018)	England and Wales
Scattolini FBT GmbH	Germany
Scattolini Iberica Slu	Spain
VFS Southampton	England and Wales
Scattolini France Sarl	France
Cabreta Sarl	France
Sanmarco Industrial Srl	Italy
Faist Green Tek LLC	United States of America
Faist Metalmex S.de.r.l.	Mexico
Faist Emission Controls (Suzho) Co. Ltd	China
Faist Romania Srl	Romania
Faist Metalworking Srl	Romania
Faist Precision Technology Suzhou Co. Ltd	China

With over 4,000 staff, our business activities consist of:

- Industrial: design and sale of high-quality metal stamping, injection molding components, chassis, enclosures and assemblies for the renewable energies, electronics, telecom, IT and industrial markets;
- Control and Propulsion Systems: development and manufacturing of actuators, valves, components and assemblies for turbo chargers, emission control devices, as well as high-quality patented or licensed components and assemblies for the automotive market;
- Light metals: high quality aluminum die casting, precision machining and surface plating of components and assemblies for the telecom, automotive, electronics and industrial markets;
- Truck Bodies: manufacturing of high-quality industrial bodies for light and medium weight trucks, such as one-way and three-way tippers, floats, tarp hoops, aluminum box bodies, minibuses and special purpose conversions, as well as the manufacturing of special cab protections for station wagons and sport utility vehicles;
- Energy: providing solutions that support electric and hybrid mobility and all those applications which require autonomous power.;
- Lithium: started in 2016, this activity relates to lithium-based battery systems both for storage and electric vehicle application.

In order to carry on our diverse and worldwide business, we inevitably source materials, goods and services from suppliers across the globe who spread from industrial factories, hi-tech firms, precision material construction businesses, IT consultants, specialized IT factories, business consultants and so on.

Policies

Our business is not only about producing goods and providing services, it is also about creating added value for our people and our environment. It is therefore paramount that we make people feel safe, respected and encouraged to do well and we make sure their right to living a decent life is maintained.

We believe this can only be achieved by establishing appropriate policies that reflect our idea of respect, idea which must guide our work and our life within the group. Idea which cannot be compromised upon, because anything that even minimally undermines people's freedom, people's rights, people's health and safety, people's wellbeing would not be acceptable and would harm our own group.

This is what we mean by human sustainability.

As we are committed to ensuring human sustainability in our business and our supply chains, this statement affirms our intention to act ethically in all our business relationships.

The following policies set down our approach to prevent modern slavery and human trafficking and identify any risks in our operations:

- 1) **Respecting People**, which is a value that defines our approach to everything we do. This is why we place an important emphasis on our internal organisation, and on the growth of every single individual who works at FAIST.
- 2) **Code of conduct**, applicable to every member of the group, which embraces our values and our philosophy. It can be found on our website at the following address <https://www.faistgroup.com/who-we-are/sustainability/>
- 3) **Education**, as we believe the future of manufacturing companies is dependent on the right training and growth of people. That is why we commit to the support of schools and universities via an internship programme, which is vital for providing the new generations with improved experiences and prepare them for employment.
- 4) **Promoting and monitoring**, whereby our HR managers promote integration, sharing and collaboration, they make sure our policies are implemented within the group, they redress any issues and take any actions which may be needed to maintain human sustainability throughout our group and, to the best we can, at our suppliers' and business partners'.
- 5) **Selection of suppliers**, which has to be accurate and must have regards, besides any other relevant factors, of how their working conditions, values and idea of respect do compare to our owns.
- 6) **Whistleblowing policy** - we encourage all our staff, customers and other business partners to report any concerns related to our direct activities or our supply chains. Staff are expected to report their concerns as much as management is expected to act upon them.

Due Diligence Processes for Slavery and Human Trafficking

Besides remaining vigilant on how our companies and our current suppliers act in line with our values, we undertake due diligence when considering taking on new suppliers. This includes visiting the supplier's factories / premises, gathering an understanding of how they conduct their business in terms of sustainability and respect

of human rights, evaluating the modern slavery and human trafficking risks in their business, conferring with any relevant trade unions, making suppliers aware of our values and establishing a long-standing with them in order to make sure a sustainable business is carried on.

Risk assessment and high-risk activities

The risk of acts or conducts of modern slavery is real and, on this basis, we need to stay vigilant to make sure this does not happen in our companies or, to the best of our knowledge, in our supply chains.

It is therefore important to establish a risk assessment procedure and follow it as part of our due diligence on our own business, on new suppliers and on existing ones.

Starting from the idea that modern slavery, whatever shape it comes in, cannot be ruled out anywhere, we recognise nonetheless that some countries with low protection for workers' rights may be more at risk, this mainly due to lack of specific local legislation.

It is our intention to make sure all the same that our companies comply with our sustainability principles and, as much as we can, businesses in our supply chains do so too.

As for high-risk activities, each Business Unit, supported by HR Business Partners, is in charge for creating and reviewing policies, performing our due diligence, checking on businesses' adherence to our best practice principles, reviewing health and safety at work, drafting periodical reports and, if needed, reporting any concerns to our management.

Training

To ensure a good understanding of the risks of modern slavery and human trafficking in our business and supply chains, we provide all staff with initial training on our code of conduct and hand such code both in paper and electronic format.

Measuring effectiveness

We use key performance indicators (KPIs) to measure how effective we are in ensuring slavery and human trafficking is not taking place in any part of our business or supply chains. In this respect, our BU Management with HR support do make sure the following actions are taken:

- Carrying out periodical assessments and compiling human resources management reports
- Checking such reports and comparing our performance with previous months;
- Gathering anonymous feedback from our staff
- Meeting with members of our staff in a confidential manner to understand their level of satisfaction within the company and whether there are or not any issues to discuss
- Having periodic meetings with our suppliers' management to understand the level of sustainability within their businesses.

- Periodically visiting our suppliers' premises to view in first person what their working conditions are

This Modern Slavery and Human Trafficking Statement will be regularly reviewed and updated as necessary.

The board of directors of Faist Limited endorses this policy statement and is fully committed to its implementation.

This Modern Slavery and Human Trafficking Statement has been approved and authorised by:

Name: Richard Alexander Nava

Position: Director

Date: 04/09/2019

Signature:

