

Slavery and Human Trafficking Statement for the 2019 Financial Year

This statement is made in accordance with Section 54 of the Modern Slavery Act 2015 and is meant to demonstrate our commitment to anti-slavery practices both within our business and in our supply chain. It has been approved by the board of WABCO Automotive U.K. Ltd. ("WABCO UK") on 14 May 2020. WABCO UK is part of the global WABCO group of companies ("WABCO").

WABCO and its supply activities

WABCO is the No.1 global supplier of technologies and services that improve the safety, efficiency and connectivity of commercial vehicles.

WABCO pioneers breakthrough innovations for advanced driver assistance, braking, stability control, suspension, transmission automation and aerodynamics for the world's commercial truck, bus, trailer, car and off-highway manufacturers.

We have almost 14,000 employees – including 2,900 engineers – in 40 countries.

S&P ("Sourcing & Purchasing") is present in 4 regions: Europe Middle East & Africa (EMEA), Asia Pacific (APAC), India and Americas and oversees a supply base of 1,500 suppliers worldwide.

We operate diverse supply chains for our global business hubs and product lines sourcing components, goods and services directly impacting WABCO production and following our product cycles as well merchandize (ready for sale) products.

S&P's mission was updated last year in order to officially express the ethical dimension which it already committed to in practice. Such mission is to provide customers with exceptional quality and delivery at a competitive cost to support WABCO's innovation, while also ensuring sustainability across our supply chain based on high ethical and environmental standards.

Policies and procedures

We are a global company with a powerful reputation for the excellence of our products and services. Our reputation is also built on a strong foundation of integrity and fair dealing in every aspect of our business. Protecting WABCO's reputation is a key pillar in maintaining the confidence and trust of its diverse stakeholder base.

To conduct business openly and honestly, we obey the law of the countries in which we operate and respect the dignity of every individual. We are committed to protecting the environment, respecting Human Rights and maintaining a safe and friendly workplace, throughout our supply chain.

As clearly stated in our Code of Conduct, we recognize and respect employees' rights to be members of a union, Works Council or other employee representative body. We also provide payment and reward that is competitive in local markets, consistent with industry standards and in

line with or above applicable minimum wage requirements. And we certainly do not tolerate child, compulsory, forced or slave labor in any of the markets in which we operate.

We build mutually beneficial relationships with suppliers and service providers and award business to them on the basis of the value they provide. In return, we expect them to share our ethical standards, uphold our Code of Conduct or a code with equivalent provisions and report on compliance in key areas, including anti-bribery legislation, the use of conflict minerals and the exploitation of child, compulsory, forced or slave labor. Whenever placing new business or appointing a new supplier, we also ensure that they confirm compliance with applicable laws, regulations and industry standards.

In order to secure such compliance, we require that our suppliers accept our terms and conditions when entering into a contract with them. These terms and conditions also provide that our suppliers shall themselves, when entering into relationships with their own suppliers, only do so by written contracts with equivalent terms and that they shall be responsible for the observance and performance of such terms by such suppliers. Last year we included a clear reference to the commitment to adhere to our Code of Conduct in our terms and conditions both for direct and indirect material suppliers.

To help our suppliers perform to a high standard and provide transparency with regards to our expectations, we created the WABCO Supplier Manual. This single source of reference is designed to make our processes easy to understand and follow by our suppliers. It also deals with commitment to compliance and corporate social responsibility and serves as a reminder to suppliers that we expect them to respect the dignity of every individual. Since last year, we incorporated a clear reference to our Code of Conduct.

Any situation which would not be in line with our Code of Conduct may be reported to our global Ethics Hotline available 24 hours a day, seven days a week. The Ethics Hotline is free, provides confidential advice and allows our employees or third parties such as suppliers to report compliance or ethics breaches. It is staffed by an independent service provider. We also promise no retaliation if a compliance breach is reported in good faith even if no violation has actually occurred.

Due diligence processes, risk assessment and management

We implemented a Supplier Profile Questionnaire (SPQ) which potential suppliers can fill out online. Once per quarter the existing supply base is requested to update the questionnaire where needed. This is done in order to assess whether or not they are aligned with our sourcing strategy. Such questionnaire gauges, amongst other topics, their approach to corporate social responsibility (CSR). For example, suppliers are asked whether they have a code of conduct or similar guidelines applying within their organization and throughout their supply chain, and we check if they received a CSR rating from an international agency or whether they implemented UN, EU, OECD or similar recommendations on CSR.

We also have a process in place that helps us to identify risks in the supply chain and to manage and communicate those towards the relevant stakeholders. This process is supported by a software with various push alerts depending on the risk at stake (which could include human trafficking or child labor). We have the ability to sort these risks per supplier or per region in order to better address and remedy them.

In addition to the monitoring functionality of the software, we have also implemented a set of standardized corrective action plans on how to manage any identified risks. Last but not least, WABCO's S&P organization is continuously reviewing the critical risk cases, including identified corrective actions, and communicating these to top management in order to ensure minimization of supplier-risk impact on WABCO's supply chain.

Staff trainings

All employees are expected to know and follow WABCO's Code of Conduct. Additionally, certain employees are required to participate in an additional Ethics Training Program relevant to their roles within WABCO. Each year the content of our Ethics Training Program is adapted to provide adequate focus on relevant and current compliance and ethics matters. Our Ethics Training Program is available in a series of online courses designed to deepen participants' knowledge of key legal and compliance topics that impact the way we do business.

S&P Buyers are regularly trained by our legal team which constantly insists on the importance to follow well established and detailed processes in order to contract with suppliers.

In the trainings that it gives, our legal team supports the S&P in recognizing the importance of securing compliance in our supply chain at all times and the fact that such compliance should never be negotiable. The S&P team has been made aware of the aforementioned improvements brought to our compliance mechanisms and our legal team is constantly available to answer any question they would have.

Continuous Improvement

In collaboration with a third party service provider, we are currently developing a Sustainability Questionnaire that will soon be addressed to our suppliers in order to get an insight on which corporate responsible initiatives they take. The aim of such questionnaire will be to complete the already existing SPQ by evaluating the maturity of our partners in relation to sustainability / corporate social responsibility and to help us improving the quality of our supply chain.

May 2020

Lisa Brown
Chief Legal Officer

