

July 2017

Slavery and Human Trafficking Statement for FY 2016

This statement was made pursuant to the Modern Slavery Act 2015 of the United Kingdom. Daikin Chemical Europe GmbH (hereinafter "DCE") hereby reports that to the best of our knowledge to date slavery and human trafficking has not taken place in DCE's business and supply chain for the fiscal year from 1 April 2016 to 31 March 2017 based on the below facts.

1. Organisational structure, business and supply chain

DCE is a supplier of fluorochemicals and was established in Germany in 1992 by Daikin Industries, Ltd. (Umeda Center Bldg., 2-4-12, Nakazaki-Nishi, Kita-ku, Osaka 530-8323, Japan). DCE offers a wide range of high quality products with applications in automobiles, consumer cookware, wire and cable, textile and fabric treatment, paper and packaging, optics and displays, coatings and more. For more details please see: <http://www.daikinchem.de/index.html>

2. Policies in relation to slavery and human trafficking

Daikin Industries, Ltd. has been taking part since 2008 in the United Nations Global Compact. Our Group Philosophy is the basis for all action aimed at becoming a corporate group that is trusted by customers worldwide. Daikin's People-Centered Management is implemented with the goal of creating a workplace where employees can use their talents. Our Group Compliance Guidelines state our policies for respect for human rights, diverse values, and ways of looking at work, and our policy of no child labour or forced labour (Daikin's CSR website: <http://www.daikin.com/csr/index.html>). DCE implements them. In addition DCE acts based on our local corporate policies, such as code of conduct and labour conditions, subject to the applicable laws and keeps employees compliant with them.

3. Due diligence, risk assessment, and effectiveness in ensuring compliance with the Act

DCE has conducted self-assessment on our own control and operational status of the above policies against slavery and human trafficking and supplier management practices. During this assessment we have interviewed the responsible personnel in charge of supply chain management on their actual practices. As a result no significant issue was identified.

As to DCE's direct material suppliers, to the best of our knowledge, we believe that they are complying with the Act. We have assessed their activities as to the Act with our comprehensive, objective indicator. To date, from the assessment there was no significant risk found.

4. Employee training in relation to slavery and human trafficking

DCE's obligations under the Act are well recognised by the management employees and the responsible personnel in charge of supply chain management, logistics and human resources.

This statement was approved by DCE's President.



Kenji Otoi
President
Daikin Chemical Europe GmbH