

## OSRAM Limited: Modern Slavery Statement 2016

This slavery and human trafficking statement has been published in accordance with section 54 (1) of the UK Modern Slavery Act 2015. It sets out the steps OSRAM has taken during the 2016 financial year ending September 30<sup>th</sup> 2016 to identify and address modern slavery and trafficking risks.

This statement is published on behalf of OSRAM Limited and the [OSRAM Group](#). Although not all OSRAM group companies are subject to the Act, OSRAM takes a group-wide approach to its human rights commitments.

OSRAM Limited is part of the OSRAM group. It is the sales company in UK for products supplied by its parent company, OSRAM GmbH. Both OSRAM GmbH and OSRAM Limited are covered by OSRAM Group's policy framework and management processes outlined below.

### 1. About OSRAM

OSRAM, based in Munich, Germany, is a globally leading lighting solutions provider. Our portfolio ranges from high-tech applications based on semiconductor technology, such as infrared or laser lighting, to connected and smart lighting solutions in buildings and cities. OSRAM purchases a broad range of products from partners worldwide, including direct material suppliers for raw, semi-finished, and packaging material, finished product suppliers, and indirect material and service suppliers. For further information on OSRAM's products, company structure and supply chains, please refer to OSRAM's [Annual Report 2016](#).

As a responsible member of society, OSRAM aims to prevent, mitigate and where necessary remediate negative impacts and strengthen positive impacts on people affected by OSRAM's operations, business relationships, supply chain and products. Respecting and supporting human rights is the cornerstone of this responsibility – as reflected in our membership in the [United Nations Global Compact](#) since 2005.

OSRAM is aware that risks for slavery and human trafficking exist in most global supply chains, including ours, with particular risks faced by migrant, contract and temporary workers, women, children and young workers amongst others.

### 2. Managing modern slavery risks at OSRAM

#### Our approach to human rights risk identification and management

OSRAM aims to respect human rights and is therefore committed to taking effective steps towards identifying and minimising risks for people in OSRAM's operations, supply chains and business relationships. These commitments are reflected in OSRAM's policy framework and reporting: Our [Business Conduct Guidelines](#) include a commitment to respect human rights and outline our expectations towards our worldwide employees, suppliers and business partners. They are complemented by our [Code of Conduct for Suppliers](#) prohibiting forced and compulsory as well as child labour in our supply chain which all suppliers are required to sign. OSRAM is reporting annually on its [progress](#) to uphold the Ten Principles of the [United Nations Global Compact](#) covering internationally recognised human rights and labour standards.

The responsibility for the management of human rights and modern slavery risks is anchored within OSRAM's corporate human resources department, reporting directly to OSRAM's Global Sustainability Council and OSRAM's Executive Board.

In response to among others the UK Modern Slavery Act, OSRAM has undertaken a human rights risk and capacity assessment with external support. The process helped to raise internal awareness on the expectations of the Act and other regulatory initiatives, OSRAM's main human rights risk areas, existing processes for prevention and risk mitigation and where OSRAM could improve.

In the following, we outline OSRAM's existing mitigation actions to address possible risk areas. In section 3 we describe how we plan to strengthen our approach in the future.

## Managing modern slavery risks within OSRAM's own operations

OSRAM's global, regional and local human resources and environmental protection and health and safety risk management addresses a range of human rights risks at OSRAM's 24 production sites, though we recognise this is not yet all-encompassing. In regions with known modern slavery risks, OSRAM has taken additional precautionary measures such as:

- The certification of OSRAM's production sites in India against the leading social compliance standard SA8000 inter alia addressing forced and child labour risks; and
- The implementation of private employment agency audits to identify and mitigate modern slavery risks in worker recruitment processes in Malaysia managed by OSRAM's Asia Pacific human resources team.

## Managing modern slavery risks within OSRAM's supply chains

OSRAM procurement follows a two-pronged approach towards assessing human rights risks in the supply chain and determining the need for further monitoring measures: On the one hand, suppliers in countries with higher risks for corruption and human rights abuses, as determined by an internal country risk index, are required to fill out a self-assessment covering the expectations of OSRAM's Supplier Code of Conduct. On the other hand, procurement is undertaking a periodic risk categorization of OSRAM's supplier base based on general sustainability and human rights related commodity risks, the country risk index and selected internal factors. Based on this categorization, selected suppliers are subject to a sustainability rating including certain human rights aspects. A predetermined number of high risk suppliers from different commodity groups are further required to undergo a third-party Corporate Responsibility Audit (CRA) including assessment of child and forced labour risks among others. OSRAM's procurement teams are trained on OSRAM's social compliance approach.

OSRAM's Code of Conduct for Suppliers includes a Conflict Minerals Supplement. OSRAM aims to create total transparency regarding the origin of potential conflict minerals.

## 3. Moving forward

For OSRAM, human rights due diligence in general and modern slavery due diligence more specifically is a process of continuous improvement and learning. To build on the human rights risk and capacity assessment outcomes and strengthen OSRAM's due diligence approach in the future, OSRAM is committed to:

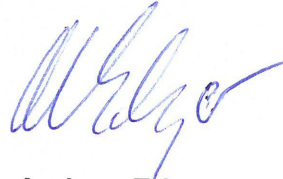
- Consolidating OSRAM's existing policy framework in a standalone human rights policy addressing modern slavery;
- Explore whether to expand existing good practices (e.g. from the OSRAM APAC region) based on the outcomes of this analysis;

- Raise awareness among OSRAM's employees, suppliers and business partners on modern slavery risks and their mitigation as part of the human rights policy implementation.

## Signatures



**Richard Bushnell**  
**Director OSRAM Limited**



**Andrew Edger**  
**Director OSRAM Limited**

**31 May 2017**