

## **Airedale International Air Conditioning Ltd. Slavery and Human Trafficking**

### Statement for Fiscal Year 2019

In accordance with the UK Modern Slavery Act 2015, Airedale International Air Conditioning Ltd. ("Airedale") has prepared this slavery and human trafficking statement for Airedale's 2019 fiscal year.

#### Organization Structure, Business and Supply Chain

Airedale is a UK-based company that manufactures and sells a variety of heating, ventilating and air conditioning products, including chillers, condensers and condensing units, precision air conditioning units, air handling units and ventilation units. Airedale's manufacturing operations are almost entirely conducted in the UK at its site in Rawdon and through its subsidiary Barkell Limited, located in Consett and a sales office based in Dubai, U.A.E. Airedale is a wholly-owned subsidiary of Modine Manufacturing Company ("Modine"), a publicly-traded corporation organized and headquartered in the United States. While Modine does not directly conduct business in the United Kingdom, Airedale has adopted and supports the policies of Modine. This includes Modine's fiscal year, which runs from April 1-March 31; as a result, this statement is with respect to the fiscal year from April 1, 2018 to March 31, 2019. Airedale's supply chain is primarily comprised of suppliers selected and sourced directly by Airedale, although in certain circumstances Airedale will utilize suppliers selected by Modine.

#### Policies Relating to Slavery and Human Trafficking

As previously stated, Airedale adopts and supports the policies of Modine. Modine's Code of Conduct (the "Code"; accessible at <http://www.modine.com>), sets forth its guiding ethical principles and reflects its shared commitment to honesty, integrity, transparency and accountability. The Code applies to all directors, employees and anyone else associated with or doing business on behalf of Modine, including Modine's subsidiaries and affiliates.

As a condition to doing business with Airedale, all suppliers are required to acknowledge and adhere to the Modine Global Supplier Manual (the "Manual"). The Manual references the Code and specifically calls out human rights violations (forced labour or child labour) as practices that are not in line with Airedale's values or legally acceptable standards.

Modine also maintains a Global Policy regarding maintaining a Positive Work Environment, which expressly references the need for all of Modine, including its subsidiaries and affiliates, to prevent human trafficking in its business. In addition, all Airedale facilities follow the human resources policies instituted by Modine, which include robust hiring policies designed, in part, to address the risk of slavery or human trafficking from being a part of Airedale's or Modine's business.

## Due Diligence Processes in Relation to Slavery and Human Trafficking in Airedale's Business and Supply Chain

Prior to commencement of a supply relationship, all potential suppliers for Modine and Airedale are vetted for ethics and compliance matters utilizing a third-party service provider. Using the providers services, Airedale conducts varying degrees of diligence depending on the risks associated with a specific supplier. In the event this diligence reveals concerns regarding practices of a potential supplier that are not in line with Airedale's or Modine's values or legally acceptable standards, including the possibility of use of slavery or human trafficking, neither Airedale nor Modine will engage such supplier.

Utilizing a Global Policy on Reporting and Investigation, Modine and Airedale encourage employees and third parties alike to report any activities that potentially fail to meet Modine's ethical standards through an anonymous reporting system. In support of that system, Modine maintains a Business Ethics Committee that is charged with investigating any reports that are made. This reporting and investigation process, coupled with every Modine and Airedale employee's obligation to abide by the Code, allows Modine the opportunity to identify and address risks of human trafficking and slavery. This process is conducted by Modine and not by a third party.

In the event Airedale becomes aware of any activities either in its business or its supply chain that could constitute slavery or human trafficking, it will conduct (or Modine will conduct on its behalf) an appropriate investigation to determine the veracity of such information. Employees who violate the spirit or the letter of the Code or any of Modine's policies are subject to appropriate disciplinary action, up to and including dismissal. In addition, Airedale expects third parties with whom it conducts business to uphold the same standards as Airedale itself, and a failure to do so could result in Airedale severing the third-party relationship.

## Risks in Supply Chain and Steps Taken to Assess Those Risks

In addition to the due diligence steps discussed above, Airedale is assessing and will continue to assess the appropriate methods for determining slavery and human trafficking risks in its business and its supply chain.

## Effectiveness in Ensuring Absence of Slavery and Human Trafficking in Supply Chain

Airedale does not currently maintain any specific performance indicators against which to measure the effectiveness of its efforts to ensure that slavery and human trafficking are not taking place in its supply chain. However, each shipment from or service provided by a supplier constitutes an acceptance by that supplier of the Manual and the Code. Therefore, through the maintenance of its relationship with Airedale and/or Modine, each supplier is certifying its compliance with Airedale's ethical standards. At a minimum, these standards require Airedale's suppliers to act in accordance with local law, including those respecting slavery and human trafficking.

Neither Modine nor Airedale currently conducts audits of its suppliers to ensure their continuing compliance with the applicable policies against human trafficking and slavery. However, Modine and Airedale will be reviewing their practices and procedures to determine appropriate performance indicators and assessment capabilities.

Training About Slavery and Human Trafficking Available to Airedale's Employees

Modine partners with a third-party provider to develop and provide Web-based training to its salaried employees, including salaried Airedale and Barkell personnel, on issues of ethics and compliance. While Modine has not conducted a training session specific to human trafficking and slavery, it does conduct annual training on the Code.

Airedale operates in accordance with the policies of Modine, which includes its commitment to corporate citizenship. This commitment obligates Airedale and its agents to adhere to strong business ethics, to act responsibly toward the environment and its neighbours, and to support the communities in which it does business. In connection with this commitment, the Code states that compliance with legal requirements in each country in which Airedale operates is the minimum requirement. The Code also states: "Our Company will only employ individuals who apply to work for us willingly and voluntarily, and are legally of age to perform such work. As such, we require our work environments to be free from exploitation of any kind and work to protect those victimized by such practices." To that end, Airedale will continue its efforts to identify high-risk suppliers and take such actions as may be necessary to maintain a business and a supply chain that is free from human trafficking and slavery.

Signed on behalf of the Directors of Airedale International Air Conditioning Ltd.



Anthony Cole, Managing Director