This statement is made pursuant to Section 54 of the Modern Slavery Act 2015 and sets out the steps that Harley-Davidson Europe Ltd. has taken and continues to take to ensure that modern slavery or human trafficking is not taking place within our business or supply chain.

We are committed to ensuring our operations and supply chains are free from involuntary labor and human trafficking. This commitment applies to all Harley-Davidson employees, officers and directors as well as all individuals and entities doing business with and for Harley-Davidson.

OUR BUSINESS:

Harley-Davidson Motor Company was founded in 1903 in Milwaukee, Wisconsin, USA. Harley-Davidson, Inc. was incorporated in 1981, at which time it purchased the Harley-Davidson® motorcycle business from AMF Incorporated in a management buyout. In 1986, Harley-Davidson, Inc. became a publicly held company, whose stock is listed on the New York Stock Exchange (under the ticker symbol HOG).

Harley-Davidson, Inc. is the parent company for the groups of companies doing business as Harley-Davidson Motor Company (HDMC) and Harley-Davidson Financial Services (HDFS). Harley-Davidson, Inc. is the ultimate parent of Harley-Davidson Europe Ltd. Harley-Davidson, Inc. conducts business on a global basis, with sales in the United States, Canada, Latin America, Europe, the Middle East, Africa and the Asia Pacific region.

Harley-Davidson, Inc. operates in two segments: the Motorcycles & Related Products (Motorcycles) segment and the Financial Services segment. While the two segments are strategic business units that offer different products and services and are managed separately based on the fundamental differences in their operations, the two segments work closely together as described below.
The Motorcycles segment designs, manufactures and sells at wholesale on-road Harley-Davidson motorcycles as well as a line of motorcycle parts, accessories, general merchandise and related services. Harley-Davidson Europe Ltd. sells the company’s products to retail customers through a network of independent dealers in Europe, the Middle East and Africa.

The Financial Services segment consists of HDFS which provides wholesale and retail financing and insurance and insurance-related programs primarily to Harley-Davidson dealers and their retail customers. HDFS conducts business principally in the United States and Canada.

OUR POLICIES:

Our company has internal policies, procedures, training and communication to ensure that we are conducting business in an ethical and transparent manner. These include:

**Code of Business Conduct.** A global Code of Business Conduct is applicable to all individuals working for our company worldwide including direct employees and contract staff.

**Training/Communication.** We provide all employees (including employees who are directly responsible for our supply chain management) with training and communication about the requirement to transact business in a compliant and ethical manner (including with regard to involuntary labor and human trafficking).

**Violations Procedures.** Employees and individuals who fail to follow our processes and policies prohibiting involuntary labor and human trafficking are subject to discipline.

OUR SUPPLY CHAIN:

We have direct relationships with our Tier 1 suppliers and we have the following policies in place in connection with our supply chain.

**Supply Agreements.** We have a contract policy that requires commitments to be in writing. We have agreements with our Tier 1 suppliers that require compliance with all applicable laws, including prohibiting suppliers from using involuntary or forced labor in the production of goods for our company. In addition, we have implemented processes for our suppliers to regularly certify that the materials incorporated into the product sold to us were produced in compliance with the laws regarding slavery and human trafficking of the country or countries where the suppliers conduct business.

**On Site Inspections.** As part of our supplier onboarding process, we may perform on-site inspections of our suppliers’ facilities, safety conditions and processes to help ensure they comply with laws and regulations regarding involuntary labor and human trafficking. Currently, the audits are generally performed by our employees through scheduled visits with the supplier.
General Merchandise and Licensed Product Agreement. The contracts we have in place with entities that produce our general merchandise and licensed products contain provisions that prohibit using involuntary or forced labor in the production of goods and/or licensed products for our company. We may perform on-site inspections of our general merchandise and licensed product producers’ facilities, safety conditions and processes to help ensure they comply with laws and regulations regarding involuntary labor and human trafficking. In addition, in certain cases, we require our licensees to acknowledge a Workplace Code of Conduct.

Supplier Code of Conduct. We have a global Supplier Code of Conduct which is given to our suppliers as part of our supplier onboarding and renewal processes. The Supplier Code of Conduct contains language clearly prohibiting the use of any form of slave, forced, bonded, indentured or involuntary labor, regardless of local business customs. The Supplier Code of Conduct is also available on the Harley-Davidson, Inc. website (found here: Supplier Code of Conduct) and on our supplier intranet. The Supplier Code of Conduct is available in nine languages.

APPROVAL FOR THIS STATEMENT:

This statement was approved by the Board of Directors of Harley-Davidson Europe Ltd.

[Signature]

Christian Thieme
Finance Director
27 March 2017