

## Statement on Modern Slavery 2020

Tokyo Timor Sea Resources Pty Ltd (TTSR) makes this, its first Statement on Modern Slavery, for the year ended 31 December 2020 under the *Modern Slavery Act 2018* (Commonwealth). This statement sets out the steps taken by the Company to minimise the risk of modern slavery and human trafficking taking place in our business or supply chains. This Statement has been approved by TTSR's Board of Directors.

### Introduction

TTSR recognises that modern slavery is a crime and morally reprehensible acts that deprive a person's liberty and dignity for another person's gain. It is a real problem for millions of people around the world, including both in developed and undeveloped countries, who are being kept and exploited in various forms of slavery. Every company faces challenges in how to minimise the risks to its business of being associated with suppliers in its supply chain that are involved in this crime through its own operations and its supply chain.

At TTSR, we are committed to taking steps to prevent slavery and human trafficking in our operations and supply chain, as outlined herein. This statement sets out the actions that we have taken to understand potential modern slavery risks related to our business, and to implement steps to prevent slavery and human trafficking during the financial year 2020.

### TTSR, Its Business, and its Owners

For historical reasons, TTSR is owned 100% by TTSR Inc., a US incorporated entity. TTSR Inc. in turn has two shareholders: JERA Co., Inc, which owns 66.7% (JERA) and Tokyo Gas Co., Ltd, which owns 33.3% (Tokyo Gas). TTSR is headquartered in Perth, Western Australia. TTSR is the entity that is the investor and holder of its participating share of the Bayu-Undan Upstream Oil & Gas fields, which are located offshore in Timor-Leste waters between Australia and Timor-Leste (the Project).

JERA was established on 30 April 2015, by the consolidation of the fuel and thermal power departments of the Tokyo Electric Power Company (as it was then known) (TEPCO) and the Chubu Electric Power Company (Chubu). Its two shareholders are both listed on the first section of the Tokyo Stock Exchange. TEPCO headquartered in Tokyo, Japan. Chubu is headquartered in Nagoya, Japan

Tokyo Gas is a supplier of a city gas primarily in the Tokyo metropolitan region. It is listed on the first section of the Tokyo Stock Exchange and is headquartered in Tokyo, Japan.

JERA and Tokyo Gas are the Shareholders of TTSR Inc.

## Structure, operations and supply chains

TTSR operates out of its head office in Perth. It has no direct employees. TTSR Inc.'s shareholders' wholly owned Australian subsidiaries, JERA Australia Pty Ltd (JERA Australia) and Tokyo Gas Australia Pty Ltd (Tokyo Gas Australia) provide the required workforce, each providing services through a service contract. JERA Australia and Tokyo Gas Australia also provide TTSR with office support services such as office space, desks, telecommunications equipment, computing services as well as cleaning and so on. IT support services and D&O insurance are essentially the only directly contracted services procured by TTSR.

The Project is operated by Australian affiliates of Santos Limited (Santos). Santos' 2019 Modern Slavery Statement may be found at <https://www.santos.com/news/modern-slavery-statement/>. TTSR has a 9.198% share in the Project. Details on the Project may be found at <https://www.santos.com/what-we-do/five-core-assets/northern-australia-and-timor-leste/>. The operation of the Project is reaching its final stage with production of oil & gas in the Project expected to end around 2023, after which works around the abandonment of wells will be the main activity. TTSR's current day to day activities are non-operationally based and are limited to participating in management meetings, monitoring production status of remaining wells and preparation for various abandonment works. The Operator of the Project is responsible for procurement activities and all operational matters. Operator has in place policies and procedures in relation to the prevent of modern slavery.

As part of TTSR's monitoring activities, TTSR engages with law firms, accounting firms, tax advisors and other professionals located in various locations. Given the limited nature and narrow focus of its commercial activities, TTSR considers the risks of modern slavery in its supply chain to be low.

## Management of Ethics Programs and Addressing Modern Slavery

TTSR supports ethical business practices and policies that protect workers from being abused in the organisations and supply chains that we have contact with. In 2020, TTSR identified it has in place certain safeguards. In 2021, TTSR will work to review these safeguards and determine if the safeguards may be strengthened. At present, TTSR has identified the following safeguards are in place:

- a Compliance Manual, including appropriate policies ('TTSR CM') that identify the standards to which TTSR service providers are to follow, including obeying laws. Personnel assigned to TTSR have been provided training on the TTSR CM and are required to acknowledge their adherence to the TTSR CM and its related policies and procedures annually.
- Both JERAA and TGA, the entities providing services to TTSR, have the equivalent of "Codes of Business Conduct" (the Codes) in place that the respective employees must follow. These Codes, both respectively contain policies and procedures in relation to upholding the laws, and specific obligations on conduct employees must follow. TTSR is required by its constituent documents to adopt an ethics and business conduct compliance program in line with the Codes. Personnel providing services to TTSR (under the respective services agreements) are required to meet both the requirements of the policies of their employer and the policies of TTSR.

- Both JERAA and TGA conducted Modern Slavery training for its staff, including those who provide services to TTSR.
- TTSR requires each person providing services to it to review and confirm their understanding of the TTSR CM and related policies annually. Each of its shareholders have similar or more extensive requirements with respect to the Parent Codes.
- Each of TTSR's shareholders has a hotline that allows for the anonymous reporting of actions not in accordance with the Codes or suspected not to be in accordance with the Codes in accordance with the respective whistleblowing policy. The hotlines are operated by outside agencies and are accessible to each of the service providers, to register concerns. In each case, any complaints or issues will be brought to the attention of corporate management.

### **2021 Actions**

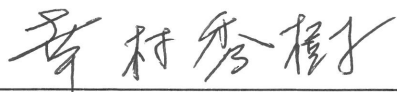
In 2021, TTSR will review its existing policies to see how they may be improved and strengthen the protections against modern slavery in its contracts and procurement activities. TTSR will also again ensure each of the service providers that perform work for it will have undertaken Modern Slavery training. TTSR will also seek to incorporate best practise in its (albeit limited) contracting and services procurement procedures.

### **Review of TTSR's Ethics Program**

TTSR reports the status of its ethics program and any breaches at quarterly meetings of its Board of Directors. To the extent that any noncompliance is identified, TTSR will investigate the breach and provide a report to its Board, together with the corrective actions that it proposes with respect to any breach.

Adopted by the Shareholders and Directors of Tokyo Timor Sea Resources Australia Pty Ltd on June 2021.

Signed for and on behalf of the Company



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Hideki Yukimura  
Managing Director  
Tokyo Timor Sea Resources Pty Ltd