

# Modern Slavery Statement FY2023



# Important Information

Mitsubishi Electric Australia Pty Limited (MEAUST) is a company domiciled in Australia. The immediate parent entity of MEAUST is Mitsubishi Electric Asia Pte Ltd. The ultimate parent company is Mitsubishi Electric Corporation, a public company incorporated in Japan.

## Purpose

To contribute to the realisation of a vibrant and sustainable society through continuous technological innovation and ceaseless creativity

## Vision

Is underpinned by its core values being intent on sustaining its enduring commitment to make

*Changes for the Better*

Mitsubishi Electric's purpose is to contribute to the realisation of a vibrant and sustainable society through continuous technological innovation and ceaseless creativity. Mitsubishi Electric's vision is underpinned by its core values being intent on sustaining its enduring commitment to make Changes for the Better.

Mitsubishi Electric is a recognised world leader in the manufacture, marketing and sales of electrical and electronic equipment used in information processing and communications, space development and satellite communications, consumer electronics, industrial technology, energy, transportation and building equipment.

This statement has been prepared in line with the requirements of the Australian Modern Slavery Act 2018 (Cth) (Modern Slavery Act). It explains the actions Mitsubishi Electric Australia has taken to assess and address modern slavery risk exposures in its operations and supply chains during its financial year ending 31 March 2023 (FY2023).

Where this report contains forward looking statements, including statements of current intention, statements of opinion and predictions as to possible future events, these statements are not statements of fact and there can be no certainty of outcome in relation to these matters as there are factors outside of Mitsubishi Electric's control that could cause the outcomes to be materially different from the events or results expressed or implied by such statements. Statements about past performance are not necessarily indicative of future performance.

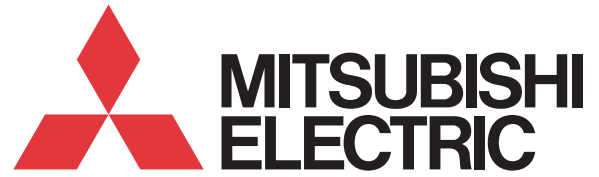
**Technology**



**Quality**



**Humanity**



**Our Values**

**Ethics & Compliance**



**Trust**



**Society**



**Environment**



# Message From Our Managing Director

On behalf of the Mitsubishi Electric Australia Board, I am pleased to present our fourth modern slavery statement for the financial year ending 31 March 2023.

Mitsubishi Electric has a long history of valuing human rights and seeking to embed respect for human rights in all aspects of its operations. This is embedded in the Mitsubishi Electric Corporate Philosophy, in particular our values of Humanity and Society. In more recent years, this commitment has been further enhanced through membership with the UN Global Compact and our parent company's membership with the Responsible Business Alliance.

Mitsubishi Electric Australia remains committed to respecting, promoting and protecting human rights and taking steps to address human rights abuses and modern slavery in its operations and supply chain. We endorse the public statements, objectives and activities of our parent company in this regard and demonstrate this through our ongoing engagement as a member of the Australian Chapter of the UN Global Compact

All forms of human rights abuse and modern slavery are unacceptable and will not be tolerated. It is disappointing that these practices occur today, both globally and in our own backyard. There has never been a more crucial time for businesses to take steps aimed at eliminating this problem so that all people, residing in any country and working in any environment, are treated with dignity and respect.

At a global level, the Mitsubishi Electric Group continues to take significant steps to enhance its approach to identifying, assessing and responding to the risks of human rights abuse and modern slavery in its supply chain and operations. We thank our parent company for their demonstration of ongoing support, guidance and leadership in this regard and look forward to ongoing progress as more action is taken.

On a local scale, Mitsubishi Electric Australia continues to take steps to ensure our employees are safe and consistently treated with dignity and respect. This includes meeting our legal obligations in this regard. It also means making a deliberate effort to continually strengthen and sustain a culture capable of resulting in meaningful changes in the attitudes of society for the better.

We recognise the importance of continuous improvement and we strive to achieve this through the ongoing support of our suppliers. It is our sincere desire to grow our awareness, knowledge and understanding about our supply chain risks as we look towards realising a socially conscious supply chain.

This fourth modern slavery statement reaffirms our enduring commitment to actionable change, and we remain steadfast in our contributions to the elimination of modern slavery abuses in this current chapter of human history.



**Jeremy Needham**

**Managing Director,  
Mitsubishi Electric Australia**

This statement was approved by the Board of Mitsubishi Electric Australia on 4 July 2024.

# FY2023 Highlights



## Maintained our Commitment to Action

- Renewed our membership with the Australian Chapter of the UN Global Compact (UNGCNA)
- Published our local (MEAUST) Human Rights Policy
- Communicated our Human Rights Policy with our employees, our dealers and suppliers



## Built Internal Awareness

- Held an internal workshop for the Modern Slavery working group to confirm our 5-year roadmap strategy to address modern slavery risks in our company and supply chain



## Engaged in a Human Rights Due Diligence Assessment

- Confirmed areas for improvement in our procurement activities



## Commenced Supplier Engagement

- Top 10 suppliers completed our modern slavery questionnaire
- Engaged an expert to help evaluate modern slavery questionnaire responses
- Prepared for further consultation with Top 10 suppliers on potential areas for improvement



## Engaged with Others

- Participated in the UN GCNA Modern Slavery Community of Practice (June-23)

# Mission Statement of Mitsubishi Electric Group

We, the Mitsubishi Electric Group, will contribute to the realisation of a vibrant and sustainable society through continuous technological innovation and ceaseless creativity.

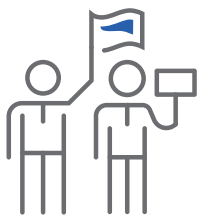
## About Mitsubishi Electric Australia



**Operating in Australia  
for 50 years**

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**FY2022/2023  
Actual Sales:  
\$449.2 Million**



**Total Employees:  
296 (March 2023)**

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**MEAUST  
Locations**



# Our Customers

Consumers



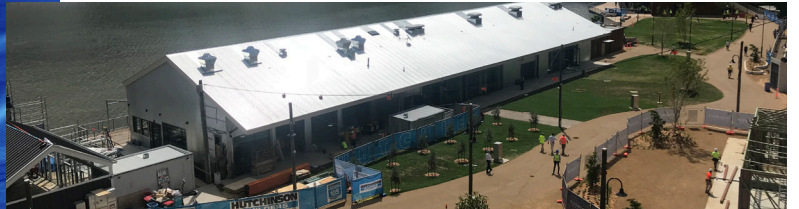
Contractors



Government



Developers



Distributors



Dealers



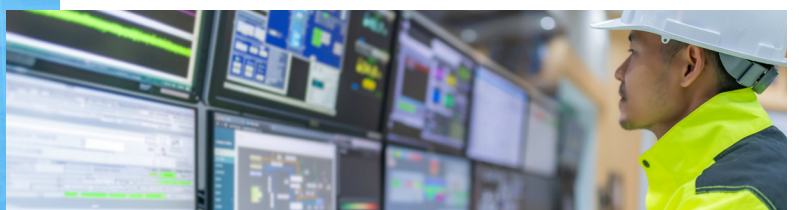
Original  
Equipment  
Manufacturers



Utilities



System  
Integrators



# Our Products & Solutions



**AIR  
CONDITIONERS**



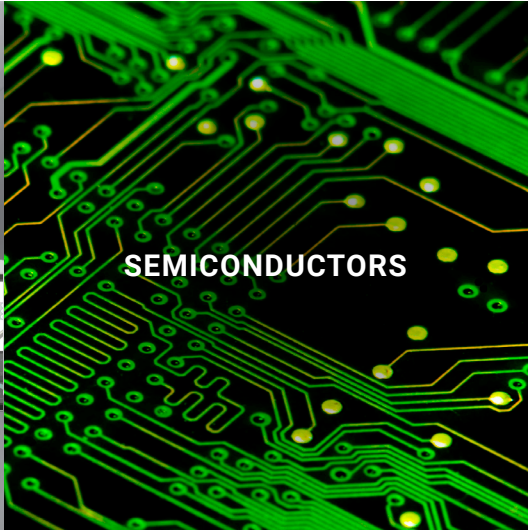
**FACTORY  
AUTOMATION**



**CLIMAVENETA  
CHILLERS**



**AUTOMATION  
SOFTWARE**



**SEMICONDUCTORS**



**LOW & MEDIUM  
VOLTAGE SWITCHGEAR**



**FRIDGES**



**LIGHT COMMERCIAL  
AIR CONDITIONING**



**AUTOMOTIVE  
EQUIPMENT**





**TRANSPORTATION &  
HEAVY ENGINEERING**



**COMMUNICATIONS  
SYSTEMS**



**COMMERCIAL  
AIR CONDITIONING**



**HOT WATER  
SYSTEMS**



**JET TOWEL  
COMMERCIAL  
HAND DRYER**



**AIR  
TREATMENT**



**MODULAR  
CHILLERS**



**TRANSMISSION &  
DISTRIBUTION**



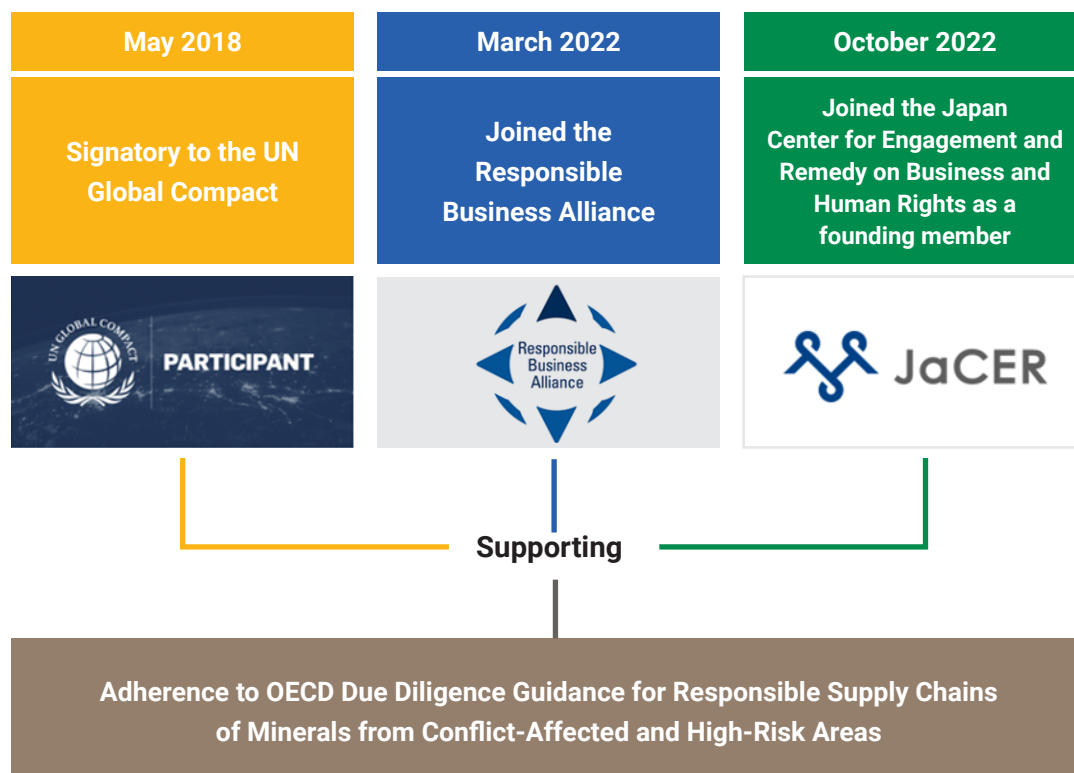
**VENTILATION**

# Our Approach and Commitment Towards Human Rights and Addressing Modern Slavery

## Global Commitment

Respect for and protection of human rights has long been part of Mitsubishi Electric's approach to doing business across the globe. This philosophy of business is embedded in the Mitsubishi Electric Group Purpose and Values. Our values of Society and Humanity confirm our commitment to contributing to the development of a better society as a corporate citizen, and prioritising health and safety, promotion of biodiversity and respect of human rights.

In 2001, Mitsubishi Electric Corporation ("MELCO") enacted its Corporate Ethics and Compliance Statement and pledged that all executive and members of the Group would conduct themselves always with respect for human rights and would not discriminate based on nationality, race, religion, gender or any other reason. MELCO has since reinforced its commitment towards human rights and addressing modern slavery by:



In fiscal year 2023, the Mitsubishi Electric Group also positioned the realisation of sustainability in its corporate management policy to focus on: “contribution to a sustainable society through our businesses”, “responsibility for a sustainable society”, “risk management in response for long-term social and environmental changes” and “communication with stakeholders”.

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In the latest revision of our Group Code of Conduct, the Mitsubishi Electric Group has established the following guidelines for respecting human rights:

- We prohibit forced labour, child labour, harassment, and all other acts that disregard individuality.
- We prohibit discrimination based on race, ethnicity, nationality, gender, age, belief, religion, social status, gender identity/sexual orientation, disability, and so forth.
- We ensure fair opportunities and treatment.
- We protect personal data and other information.
- We ensure compliance with labour-related laws and regulations as well as the work rules of each country and region,
- We respect human rights based on international norms, thereby ensuring there are no human rights violations or other problems.



**INTEGRITY**

## Local Commitment

In FY2023, MEAUST took steps to localise MELCO's Human Rights Policy and officially published its own Human Right Policy. Our policy is our official promise to recognise and uphold our responsibility to respect human rights and preserve the rights of those who directly and indirectly contribute to our operations and supply chains. It applies to all of our suppliers, customers and other business partners, and serves to educate our stakeholders on our priorities under this policy.

- We recognise our responsibility to respect international standards in relation to human rights and the local laws in the regions where we do business.
- We commit to undertaking human rights due diligence and studying the ways of proactively preventing or mitigating any negative impact of those activities.
- We identify material issues and set tasks and goals to address those issues.
- We work to ensure that our initiatives for human rights are implemented with the participation of our executives and employees, and request the cooperation of our stakeholders.
- We implement training programs and awareness campaigns to ensure all executives and employees understand initiatives relating to human rights and conduct themselves in a manner consistent with promoting respect for human rights in our organisation and in the broader society.

To access the full policy, please visit the Mitsubishi Electric Australia website for more details.

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As part of this commitment, MEAUST is developing a deeper relationship with MELCO's Corporate Sustainability Division. This Division is responsible for implementing MELCO's human rights initiatives, including with respect to supply chain management.

MEAUST developed its 5-Year Road Map to address the risks of human rights violations and modern slavery within its supply chain and operations using a graduated approach. In the coming months and years, MEAUST will use this roadmap to implement changes aimed at achieving its objectives and meeting the requirements of the Act.

FY2023 also saw MEAUST continue to honour its commitment as a participating member of the UN Global Compact Network Australian Chapter (UNGCNA) by taking part in a series of forums, including the briefing session for the 'Modern Slavery within Maritime Shipping Supply Chains' Publication launched by the UNGCNA in December-22. MEAUST remains committed in its engagement with the UNGCNA and seeks to become more invested with its involvement in outreach activities and awareness-raising initiatives in future.



# Risk of Modern Slavery and Human Rights Abuses in our Operations and Supply Chain



## Human Rights Risk Assessment

In FY2022, MEAUST participated in Mitsubishi Electric Group's global human rights risk assessment (HRRRA) which was initiated and led by MELCO. The HRRRA covered risks to employees, the local community, suppliers, partners and customers in areas which included the following:

**The HRRRA covered risks to employees, the local community, suppliers, partners and customers in areas which included the following:**

- Forced labour
- Child labour
- Freedom of Association & Collective Bargaining
- Minimum standards of employment
- Long working hours
- Harassment
- Discrimination
- Occupational Health & Safety
- Privacy and the disclosure of information
- Responsible product marketing & sales activities

In most cases, MEAUST assessed the risk in its operations and supply chain as low if sufficient risk measures are taken and the laws, cultures and customs in Australia and New Zealand are comprehensively taken into account. MEAUST also reviewed the measures being taken to mitigate this risk and concluded that, in the majority of cases, action taken was comprehensive. Room for improvement was acknowledged in relation to activities involving suppliers. This was a reflection that MEAUST is still early in its journey of engaging with suppliers in relation to human rights and modern slavery.

In FY2023, MELCO assessed and evaluated the results of the HRRRA from all its Group entities and identified the following areas of improvement:

Issue to be addressed/strengthened	Overview
Harassment prevention	We strengthened the following efforts: <ul style="list-style-type: none"> <li>• Awareness-raising activities, including the publication of a harassment prevention handbook.</li> <li>• Reduction in the number of long working hours by implementing organisational culture reform.</li> <li>• Partial acquisition of ISO 45001 certification.</li> </ul>
Working time management	
Occupational health and safety	
Human rights education	In addition to the harassment and diversity training that has been conducted, we explained business and human rights, the Mitsubishi Electric Group Human Rights Policy, and other topics in the new company-wide training course "Sustainability in the Mitsubishi Electric Group."
Supply chain human rights initiatives, addressing conflict minerals	In addition to our existing CSR procurement activities, we are exploring the possibility of implementing the supply chain management process of the Responsible Business Alliance (RBA), which we joined in 2022 (we plan to start explaining the process to our suppliers in fiscal 2024).
Grievance handling	<ul style="list-style-type: none"> <li>• We joined the Japan Center for Engagement and Remedy on Business and Human Rights (JaCER) primarily to strengthen the collection of human rights complaints across the supply chain.</li> <li>• We have improved user accessibility by providing a separate "Human Rights Contact Desk" on our official website and by improving the homepage (landing and description) in the "Inquiries on Sustainability" section of the official website.</li> </ul>

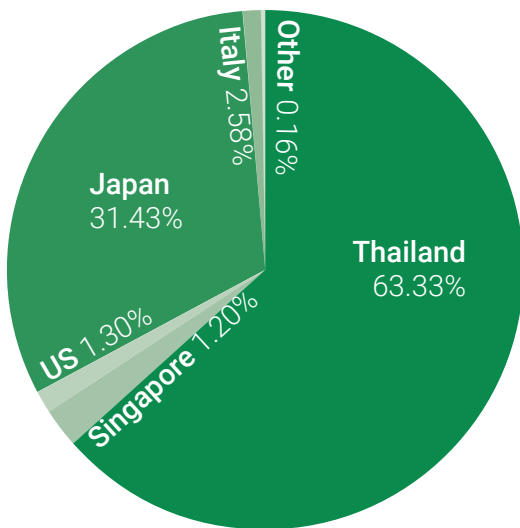
MELCO has also indicated an intention to conduct a more objective human rights impact assessment in FY2024 based on global standards with the help of external human rights experts. In the meantime, MEAUST intends to consider actions which might be appropriate for local implementation, to address the areas for improvements identified by MELCO.



## Mitsubishi Electric Australia Supply Chain

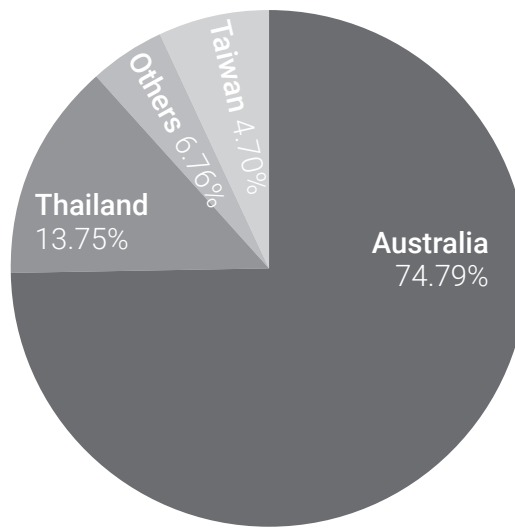
The nature of our business means there are risks in the goods and services we purchase both domestically and internationally to support our local operations. A significant portion of items purchased by MEAUST in the ordinary course of business come from companies located outside of Australia. Many of these are part of the Mitsubishi Electric Group. We have purchased goods from organisations operating in the following countries in the past 12 months:

### MELCO Group Companies Total Spend \$317,175,658



**Other:** United Kingdom (0.148%), Germany (0.010%)

### Non-MELCO Group Companies Total Spend \$93,054,224



**Other:** New Zealand (1.788%), Hong Kong (1.449%), Norway (1.366%), China (0.967%), Germany (0.540%), Japan (0.140%), Sweden (0.140%), United States (0.134%), France (0.087%), Republic of Ireland (0.057%), United Kingdom (0.055%), Republic of (South) Korea (0.035%)

We have been steadily maturing our understanding of risks related to human rights abuses and modern slavery unique to our local supply chain, independent from Mitsubishi Electric Group.

We remain acutely aware of the modern slavery risks present in the operations of companies operating in all of these countries and that the risks are higher in countries located in Asia and the Pacific Region than in other parts of the world. As our understanding matures, we expect we can make more informed decisions about how we identify, assess and respond to these risks.

## Activities of Mitsubishi Electric Corporation

Two-thirds of all purchases by MEAUST are via the Mitsubishi Electric Group. As this is the case, it is important for MEAUST to understand and evaluate the action being taken by MELCO to identify, assess and respond to the risks of human rights abuses and modern slavery in its operations and supply chains.

MELCO continues to take significant steps in this regard, including the following:

### Operations

#### Action Guidelines for Respect of Human Rights:

MELCO has implemented the following as part of its commitment to respecting and protecting human rights: Group Code of Conduct, CSR Procurement Guidelines, AI Ethics Policy and Personal Information Protection Policy.

#### Governance (Human Rights Subcommittee):

In FY2023, Mitsubishi Electric Group established its Human Rights Subcommittee. This Subcommittee is responsible for reviewing human rights initiatives and resolving issues. Initiatives will be practically implemented by the Human Rights Working Group. The mid to long term goals and roadmap for the Human Rights Subcommittee are as follows:



#### External Engagement:

In FY2023, MELCO obtained advice about ongoing human rights due diligence and supply chain management issues from Japanese and overseas experts. This related to communicating with employees and suppliers and collaborating with others to prevent and address negative impacts on human rights.



**Human Rights Education:**

Since 2018, MELCO has conducted a sustainability-related e-learning program which includes human rights. In FY2023, the program will be upgraded to incorporate international standards on human rights. Specific training is also provided to prevent harassment in the workplace.

**Fair Evaluation and Compensation:**

MELCO has implemented a performance-based compensation system that offers professional self-development opportunities to employees.

**Diversity and Inclusion:**

In FY2023, MELCO continued its efforts to create a culture that recognises diversity in the workplace. This includes initiatives in relation to diversity in the workforce, a new training program for employees returning from childcare leave and their supervisors and continued expansion of the MELCO Tender Mates Corporation which employs people with disabilities.

**Maintaining a Favourable Work Environment:**

MELCO seeks to create a work environment where employees maintain good physical and mental health. In FY2023, this included implementing a trial for employees to live outside the commuting area of their offices and engage mainly in remote working. The latter will be introduced at full scale in FY2024.

**Occupational Health and Safety:**

MELCO takes action to establish a culture of top priority on safety and health in all business environments, including through a Safety and Health Five-Year Plan, OHS Management System, training programs and initiatives targets at a healthy company and promoting mental health.

**Freedom of Association:**

Through its cooperation with the Mitsubishi Electric labour union and adherence to labour-related regulation, MELCO recognises the right of employees to organise, collective bargain and work with management to promote company growth, improve working conditions and have sound workplaces and working conditions.



**We continue to monitor the action taken by our parent company and will take further steps as and when necessary to obtain information and/or address supply chain risks as they apply to our operations and supply chain.**

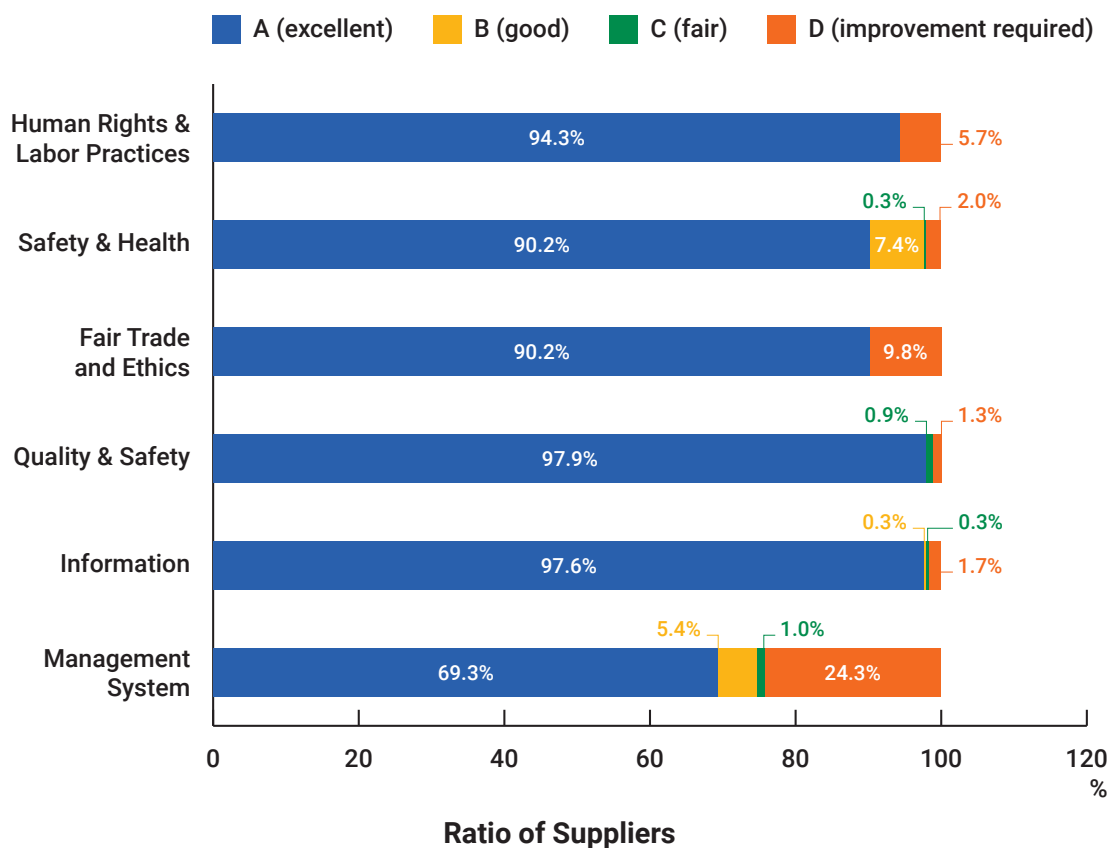
## Supply Chain

### Action Guidelines for Respect of Human Rights:

Through its G-STEP strategy, the Mitsubishi Electric Group has implemented purchasing strategies promoting sustainable and stable procurement in several countries including China, Asia, Europe and the Americas, and promoted risk mitigation of labour practices and environmental issues.

### Governance (Human Rights Subcommittee):

In accordance with Group's Purchasing Policy and CSR Procurement Policy, MELCO continues to request its principal suppliers (within the top 80% by spend) complete its CSR Procurement survey once every 3 years and consults with its suppliers about the responses. No business partners were identified to have any major human rights violations risks in FY2023. However, in the event that risks are identified, MELCO will request the relevant business partner(s) to apply corrective measures to address those risks.



Fiscal 2023 results of green accreditation and CSR procurement surveys among suppliers (Mitsubishi Electric)

### External Engagement:

MELCO offers various learning programs on laws and regulations related to the operations of employees in charge of procurement activities. This includes instructional activities such as Review Meetings for CSR Promotion in the Supply Chain and providing CSR education to employees in procurement departments.

**Human Rights Education:**

In FY2022, Mitsubishi Electric Group joined the Japan Centre for Engagement and Remedy on Business and Human Rights (JaCER) to strengthen its processes for receiving and resolving grievances in the supply chain. This supplements other grievance mechanisms, including through the Mitsubishi Electric Group website.

**Responsible Business Alliance (RBA):**

MELCO joined the RBA in February 2022. In FY2023, it focused its attention on aligning its current CSR Procurement Guidelines and Green Accreditation Guideline with the RBA Code of Conduct. It will now prepare specific guidelines and explain them to suppliers.

**Policies for Responsible Minerals Procurement:**

MELCO continues to seek transparency in its supply chain to avoid any affiliation with armed groups that trade in conflict minerals. MELCO adheres to the OECD due diligence guidance for Responsible Supply Chains from Conflict affected and High Risk Areas and removes certain minerals from the supply chain in situations where their procurement encourages or contributes to serious human rights violations or environmental destruction.

**Foreign Technical Intern Trainees:**

MELCO continues to survey subcontractor factories to ensure there are no infringements on the Technical Intern Training Act. All subcontractors continue to observe these requirements. MELCO also continues to provide guidance on areas for improvement and promotes activities for preventing the violation of Human Rights of foreign technical intern trainees.



# Action Taken to Assess and Address Risks

During FY2023, we continued to build on our foundations to supplement the work of our parent company and support our activities in the coming years.



**Plan, Do, Check, Act**

## Our primary activities during this financial year were:



### 1. Developed Our Human Rights Policy

In April-23, we published our local Human Rights Policy to better support and align with Mitsubishi Electric Group's Human Rights Policy and to support the implementation of key human rights initiatives within Australia. We then communicated the publication of this policy with our employees, dealers and other suppliers.

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### 2. Deeper Engagement with MELCO

In FY2023, we met with representatives from the MELCO Corporate Sustainability Division and spoke with them about the Australian Modern Slavery Act. We indicated that we would like to have a closer relationship with this Division and that we may have more detailed questions regarding information we have received to date. We propose to engage more deeply with this Division in FY2024.

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### 3. Supplier Engagement

We commenced our engagement with our Top-10 suppliers (by spend). We notified them about our commitment to address Modern Slavery risks within its operations and supply chains and requested their completion of the MEAUST Supplier Questionnaire to assist us understand what actions they are taking to address Modern Slavery risks in their own business contexts.

With the assistance of an external adviser, we concluded the SAQ exercise and reviewed key findings and recommended actions for each supplier. We convened a briefing session in April-23 with our Modern Slavery Working Group to prioritise the key areas to be addressed with specific suppliers and develop action plans.

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### 4. Engaged with Others

Having now been a member with the Australian Chapter of the UN Global Compact for over 12-months, we attended in our 2nd Modern Slavery Community of Practice Meeting. We also engaged with the UNGCNA about options for mapping our local supply chain to improve our understanding of the risks.

We also continued supporting our customers in their efforts to understand our approach to human rights and modern slavery within our operations and supply chain.

# Review of the Effectiveness of our Actions and Looking Ahead

While we reflect positively on our progress in FY2023, there is still more work to be done.

In FY2024, we will:



## Supply Chain Awareness & Knowledge:

Look for opportunities to raise awareness of ethical purchasing decisions amongst our employees.

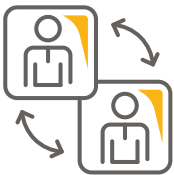
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## Policies, Procedures and Systems:

Develop our CSR Procurement Policy and communicate importance of Respect at Work and Code of Conduct to all employees.

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## Supplier Engagement:

Top 10 Suppliers: Continue to engage with our Top-10 Suppliers regarding their human rights initiatives in their operations and supply chain.

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## Measurement, Results and Reporting:

Report to the Board and Executive on the results of our activities and ongoing supplier engagement.

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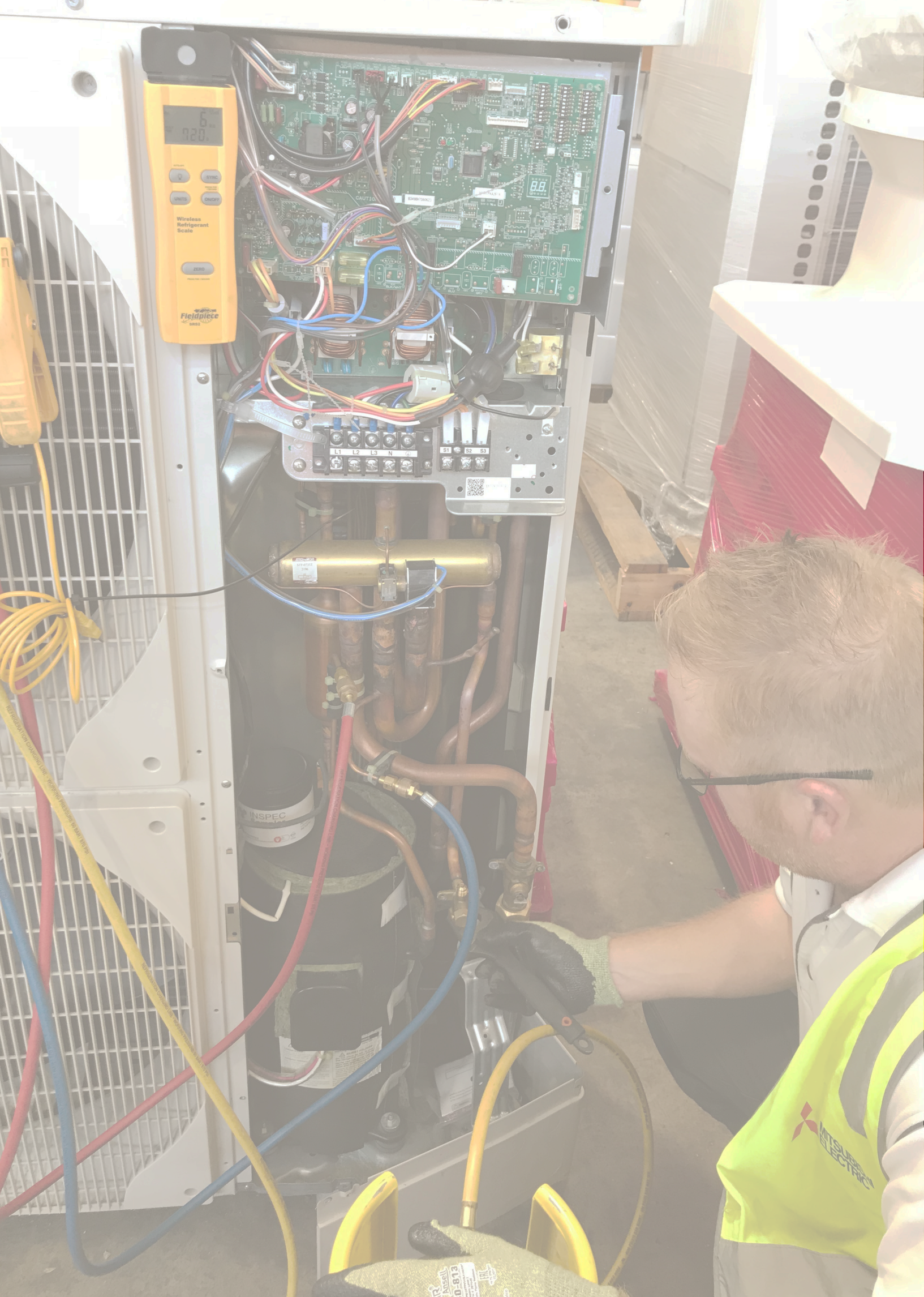


## Stakeholders/Partner Engagement:

Support nominated not-for-profit organisations focused on preventing pathways to modern slavery or take action in response to modern slavery.

Continue to engage with the Australian Chapter of the UN Global Compact, including through the Modern Slavery Communities of Practice.

Continue to engage with the MELCO Corporate Sustainability Division regarding the effectiveness of MELCO's activities in relation to human rights and modern slavery. We also continued supporting our customers in their efforts to understand our approach to human rights and modern slavery within our operations and supply chain.



6.1  
720  
Wireless Refrigerant Scale  
Fieldpiece

GAUT10  
88

L1 L2 L3 N  
S1 S2 S3

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