



ITOCHU Australia

Modern Slavery and Human Trafficking Statement 2021

Reporting entities (mandatory criteria 1)

This is a modern slavery statement, issued pursuant to the *Australian Modern Slavery Act 2018* (Cth), by ITOCHU Australia Ltd ABN 63 000 192 790 (**IAL**), ITOCHU Minerals & Energy of Australia Pty Ltd ABN 44 009 256 259 (**IMEA**), ICRA OC Pty Ltd ABN 41 106 260 593 (**ICRA OC**), ICRA MC Pty Ltd ABN 77 147 657 074 (**ICRA MC**), IM Iron Holding Pty Ltd ABN 35 168 776 421 (**IMIH**) and ITOCHU Iron Ore Australia Pty Ltd ABN 49 134 669 408 (**IIOA**) for the Financial Year ending 31 March 2021. IAL, IMEA, ICRA OC, ICRA MC, IMIH and IIOA (collectively **ITOCHU Australia**) are each reporting entities and this statement includes the supply chains of the entities owned or controlled by ITOCHU Australia.

ITOCHU Australia's structure, operations and supply chain (mandatory criteria 2)

IAL is a 100%-owned subsidiary of ITOCHU Corporation (**ITC**) in Japan, which is one of the leading general trading companies, or so-called "sogo shosha". IAL operates as a trader of general commodities and holds some minority investments. The company is involved in the trading of primary and natural commodities and divides its operations into divisions which include coal, metals & mineral resources, machinery, general merchandise, chemicals and foods. As part of its trading operations IAL procures goods in these sectors from Australia and Asia, primarily through the ITC group.

IMEA is owned by ITC and IAL and owns a number of subsidiaries including ICRA OC, ICRA MC, IMIH and IIOA. IMEA is a minority owner of major iron ore joint ventures in the Pilbara region and also has minority coal joint venture interests in New South Wales, Queensland and Indonesia. IMEA is in joint ventures with major international mining entities, including BHP and Glencore. These major mining entities have sophisticated procurement policies, including to address modern slavery risks.

Other entities owned and controlled by ITC have operations in Australia but are not owned or controlled by ITOCHU Australia and are not included in this statement.

In addition to ITOCHU Australia's investment and trading activities, ITOCHU Australia has offices in Sydney, Brisbane and Perth and procures office space and associated services, IT hardware and software and consumables.

Risks of modern slavery practices (mandatory criteria 3)

We undertook risk assessments of modern slavery risks in our operations and supply chains over the reporting period to consider the risk that we are causing, contributing, or directly linked to modern slavery practices.

As set out above, ITOCHU Australia's operations primarily involve non-managed joint venture interests, and ITOCHU Australia is not in a position to control or change the supply chains for those investments.

For ITOCHU Australia, we assess risk based on geographic risk, products, sector and methods of procurement. ITOCHU Australia's trading arrangements are primarily with ITC entities, who are in compliance with ITC group policies on human rights, modern slavery and human trafficking, as set out below.

ITOCHU Australia's trading arrangements include agricultural products from Australia and fish products from Europe, Asia and South America. Fish products from Asia and South America have a potential for modern slavery risk, and ITOCHU Australia manages this risk in part through its selection of international global groups that it requests to comply with ITC policies (including in relation to modern slavery). ITC's policies, and ITOCHU Australia's actions, are described below.

Actions to assess and address modern slavery risks (mandatory criteria 4)

ITOCHU Australia has a number of measures in place to assess and address the risks of modern slavery in our operations and supply chains.

Policies and procedures

ITOCHU Australia has an anti-slavery policy within its own compliance manual, stating its commitment to limit the risk of modern slavery occurring within its own business.

ITOCHU Australia expects all who have, or seek to have, a business relationships with the company to familiarise themselves with ITOCHU Australia's anti-slavery policy and to act in a way that is consistent with its values.

During the reporting period we have engaged with all of our employees and reminded them of our policies and procedures to follow when engaging with new and existing suppliers.

ITOCHU Australia only intends to do business with organisations who fully comply with its anti-slavery policy, or those who are taking verifiable steps towards compliance.

In addition to our standalone anti-slavery policy, ITOCHU Australia is committed to limiting the risk of modern slavery occurring within our own business and its supply chains. ITC participates in the United Nations Global Compact and applies the concepts of the United Nations Guiding Principles on Business and Human Rights and such concepts flow down to ITOCHU Australia. ITOCHU Australia's existing policies contain provisions that have the goal of seeking to ensure that there is no slavery or human trafficking in any part of our business or supply chain. ITOCHU Australia incorporate policies from ITC.

Such policies include:

- ITOCHU group's Corporate Philosophy and Code of Conduct
(<https://www.itochu.co.jp/en/about/mission/>)
- Human Rights Policy of the ITOCHU Group
(https://www.itochu.co.jp/en/csr/society/human_rights/)
- Individual Policy related to Human Rights
(https://www.itochu.co.jp/en/csr/society/human_rights/#h2_03)
- Human Rights Due Diligence
(https://www.itochu.co.jp/en/csr/society/human_rights/#h2_04)
- The United Nations Global Compact
(https://www.itochu.co.jp/en/csr/itochu/activity/global_compact/index.html)
- Sustainability Action Guidelines for Supply Chains
(https://www.itochu.co.jp/en/csr/society/value_chain/policy/#h2_01)
- Internal Information Reporting System (Hotlines)
(https://www.itochu.co.jp/en/about/governance_compliance/compliance/)

ITOCHU Australia recognises these policies and engages in business in accordance with the principles under these policies.

As noted further below, where practicable, ITOCHU Australia also undertakes site visits to identify and report any evidence which might identify modern slavery in our suppliers or customers supply chain.

Training

ITOCHU Australia works to spread understanding of the relationship between activities and human rights through in-house training programs for organisational heads, individuals assigned overseas, and all employees based in Australia.

ITOCHU Australia also continues to provide training to raise awareness and educate its employees in addressing the risk of modern slavery and human trafficking of any form.

Assessing effectiveness (mandatory criteria 5)

In this reporting period, our focus was to improve our understanding of our modern slavery risks. ITOCHU Australia is committed to reviewing the effectiveness of our actions to assess and address the risks of modern slavery. We have started developing processes and we intend to introduce key performance indicators in the future to assist us in assessing the effectiveness of our actions.

These processes will support ITOCHU Australia's existing measures such as our annual visits to the premises of major suppliers and customers. During these visits employees are asked to physically identify and report any evidence which might identify modern slavery in a suppliers or customers supply chain.

Consultation (mandatory criteria 6)

Each reporting entity covered by the statement is owned or controlled by IAL or IMEA. Throughout the reporting period, and particularly in the development of this statement, IAL and IMEA engaged with the boards of each reporting entity, to outline the requirements of the *Modern Slavery Act 2018* (Cth) and to provide an opportunity to contribute to the contents of this statement.

Further Steps and other relevant information (mandatory criteria 7)

ITOCHU Australia have already undertaken or intend to take the following steps in our next reporting period:

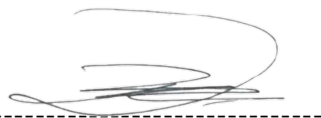
- To continue to deliver in-house training programs for all employees to educate and raise awareness, and to engage third party professional providers to provide modern slavery training to all staff.
- To continue to improve reporting mechanism systems to aid people in noticing red flags or concerns about any sort of action or behaviours that reflect modern slavery and human trafficking.
- Amending both our standard terms and conditions of purchase and standard terms and conditions of sale that set out the minimum expectations for our suppliers.
- Reserve the right to terminate any contractual arrangement if there is breach of this policy.
- Developing processes and key performance indicators to ensure we can assess the effectiveness of our actions.

Approval and signature

IAL and IMEA have consulted with each of their subsidiaries and the reporting entities about this policy.

This statement is approved by the Boards of IAL and IMEA as the Australian holding companies of each reporting entity on 22 September 2021, and signed by Daisuke Inoue in his role as the Managing Director and CEO of IAL and IMEA.

22 September 2021

A handwritten signature in black ink, consisting of several loops and a long horizontal stroke, positioned above a dashed line.

Daisuke Inoue
Managing Director & CEO