



Modern Slavery & Human Trafficking Statement

1. Modern Slavery & Human Trafficking Statement

1.1. About Mazda

Mazda Australia Pty Ltd (**Mazda**) is a foreign-owned private company, deriving revenue from the importation and distribution of vehicles and parts. Mazda employs approximately 320 people, operates in Australia, and is administered from its head office in Mulgrave, Victoria. The directors of Mazda have primary responsibility for the governance of Mazda.

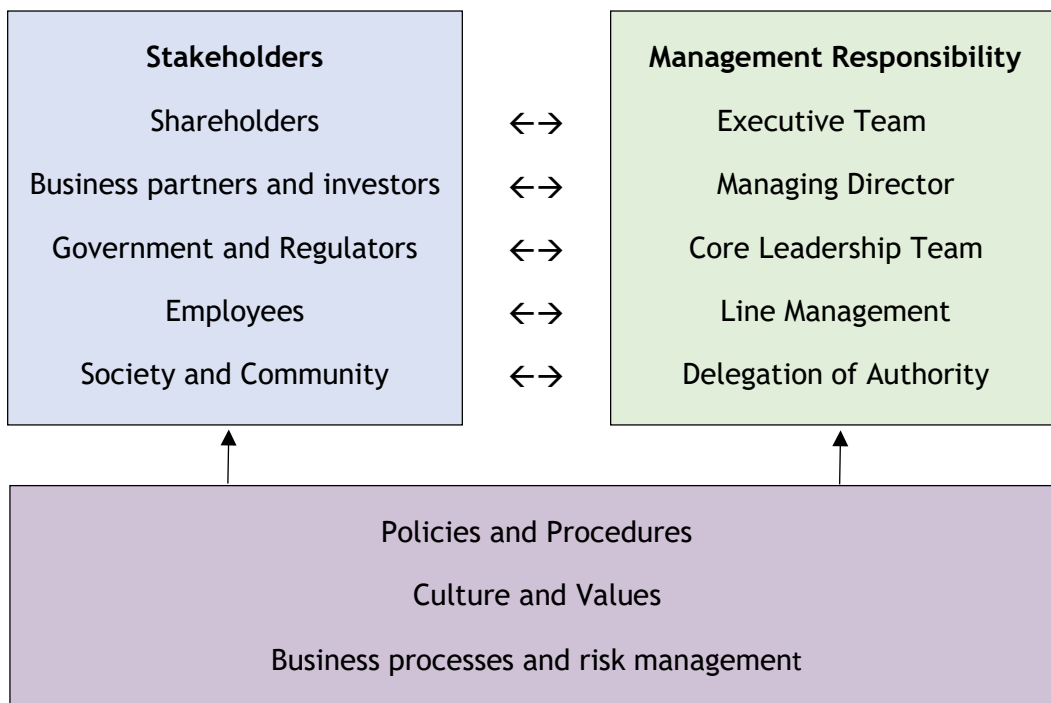
Mazda is a wholly owned subsidiary of the Japan-based Mazda Motor Corporation.

Mazda, as a foreign-owned private company recognises the increasing globalisation of its industry, particularly relating to operations and supply chains. With over \$100 million in consolidated revenue in the last financial year, Mazda is a reporting entity that is formally required to maintain and update a modern slavery & human trafficking statement. In line with the requirements of the *Modern Slavery Act 2018* (Cth), Mazda has compiled this statement which is intended to assist in eliminate modern slavery and human trafficking.

1.2. Mazda's Structure, Operations and Supply Chains Structure

Mazda's organisation and governance structure is represented by the diagram in Figure 1.

Figure 1 - Mazda's Organisation and Governance Structure





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Mazda is an Australian proprietary company, led by an executive team (Board) with the Managing Director (MD) overseeing day to day operations of the company. Underneath the Board and the MD, there are levels of management.

Mazda has a network of authorised franchise dealers (Dealers) across Australia who have a Dealer Agreement where dealers purchase product from Mazda, and sell, and offer repair and maintenance services in relation to Mazda products to customers.

Overarching Mazda's organisation and governance structure is the company's policies and procedures, culture and values and business processes and risk management.

Operations

Mazda operates primarily as an importer and distributor of vehicles and parts, with its operations including the workers it employs.

Supplier Chain

Mazda appreciates its supply chain constitutes the products and services (including labour) that contribute to the company's own products and services, including products and services sourced in Australia or overseas.

Mazda has a supply chain made up of several contracted suppliers. Our supply chain relationships include suppliers from the following sectors: Consulting Services, Corporate Clothing, Fleet Management, Information Communications and Technology, Logistics and Transport, Marketing, Office Cleaning, Office Supplies, Print and Promotional Goods and Services, Property Services and Travel.

Mazda recognises the products and services that contribute to its own products and services extend beyond those received from direct suppliers. Mazda's supply chain also includes products and services used by indirect suppliers.

1.3. Mazda Policies and Procedures

Mazda understands the importance of protecting human rights and is committed to protecting the rights of all people. Modern slavery goes against everything Mazda stands for. Mazda has key policies and procedures in place to assist in protecting human rights. These policies and procedures include Mazda's:

1. Employee Code of Conduct Policy;
2. Work Place Health and Safety Policies and Procedures;
3. Disciplinary Policy;
4. Harassment, Discrimination and Bullying Policy;
5. Termination of Employment Policy.

1.4. Risks of Modern Slavery Practices in the operations and supply chains of Mazda

Risks of modern slavery practices means the potential for causing, contributing or being directly linked to modern slavery through operations and supply chains.



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Modern slavery has the potential to exist in a supply chain in a number of ways, including by child labour, debt bondage, forced labour and human trafficking.

Mazda appreciates the following risks in its operations and supply chains:

1. Risks that may cause modern slavery practices;
2. Risks that may contribute to modern slavery practices; and
3. Risks that may be directly or indirectly linked to modern slavery practices.

Mazda considers the third risk the most likely (if any), that Mazda may be linked to modern slavery practices. Mazda is highly aware of the risk that its operations, products or services may be connected to modern slavery through the activities of another entity Mazda has a business relationship with, including those suppliers which maintain a majority of operations outside Australia. These business relationships include all entities in the Mazda supply chain, including entities Mazda does not have a contractual relationship with. It also includes all business partners and investees and borrowers but does not include customers who purchase Mazda products and services.

Mazda considers products and services arising from Office Cleaning and Print and Promotional Good sectors and some subsets of the Vehicle Manufacturing Sector to be of the highest risk of modern slavery in Mazda's supply chain. Mazda appreciates its most severe modern slavery risks may not align with the volume or cost of the products and services procured.

Further, Mazda realises products and services procured from select countries may constitute some of the highest modern slavery risks. This is due to a variety of factors including some countries maintaining poor governance, weak rule of law, conflict, migration flows, and socio-economic factors like poverty.

Mazda is committed to continually improving how they work with business, government, suppliers and society to meet moral and ethical obligations to combat modern slavery and human trafficking. Mazda is strongly committed to working with its suppliers to eliminate modern slavery from its supply chain.

1.5. Due Diligence and Risk Management

As a leading vehicle importer and distributor, Mazda considers the risk of modern slavery within its direct business operations to be low, particularly given all Mazda products that are imported and distributed are overseen from Melbourne, Victoria, under the supervision of Mazda employees. However as foreshadowed above, Mazda recognises its supply chain and customers can be indirectly exposed to modern slavery and human trafficking risks.

Mazda works with its stakeholders to identify and understand the impacts of its activities. Due diligence is implemented to prevent and mitigate adverse impacts arising from Mazda's activities. This due diligence refers to an ongoing management process to identify, prevent, mitigate and account for how Mazda addresses actual and potential adverse human rights impacts in its operations and supply chains.

The due diligence process is initiated by a risk identification and assessment of suppliers prior to any contracting. These measures are discussed in more detail



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below. Mazda being a small/medium Australian enterprise understands its ability to use its leverage to minimise modern slavery risks may be limited, particularly when engaging with large conglomerate organisations further down its supply chain.

Governance

Good governance is essential to the long-term sustainable success in eliminating modern slavery. Good governance is ingrained at Mazda and is the collective responsibility of all levels of management and even more widely extends to all employees. The risk of modern slavery in Mazda's operations and supply chain is assessed within Mazda's corporate-wide governance and risk management framework. Responsibility for assessing and addressing modern slavery risks have been assigned to a senior manager, and Mazda's board is briefed regularly and appropriately.

Contractual Arrangements

Through contractual arrangements and procurement principles, Mazda suppliers and contractors are required to comply with Mazda Policies. Mazda's standard terms and conditions also require minimum standards in ethical business practices, safety and environmental protection.

Grievance and feedback

Mazda has a number of mechanisms for stakeholders and other third parties to anonymously report suspected or actual illegal activities, breaches of human rights, and/or company policies.

In addition, Mazda clients, suppliers, and third parties can raise modern slavery related concerns via our webpage.

Grievances can also be received via direct correspondence, social media or through bodies such as the Human Rights Commission and the Department of Home Affairs.

Where concerns are raised, Mazda will conduct an investigation in accordance with regulatory requirements and will address any concerns as appropriate. Mazda's grievance procedures ensure all grievances are managed and investigated in a comprehensive, timely and transparent manner.

Training and Communication

In 2021, Mazda intend to complete risk awareness training which will include information on modern slavery.

Modern slavery requirements and updates will be communicated to all Mazda employees during team meetings and onsite training sessions to ensure compliance with this statement across Mazda's entire business.

Statutory Declarations

Before engagement, will be clearly communicating its expectations to suppliers, including by ensuring that modern slavery issues are specifically addressed in supplier contracts, prequalification and other relevant mechanisms.



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Mazda wants to ensure they are well prepared to respond if they find modern slavery occurring in its operations and/or supply chains.

1.6. Actions to date

Actions taken to date to minimise the risks of modern slavery within Mazda include:

- undertaking review of existing suppliers in renewal and new suppliers in accordance with established procurement protocols, ensuring compliance with company policies; and
- undertaking a gap analysis of Mazda's current policies and procedures against the Australian Modern Slavery Act.

How Mazda Assesses The Effectiveness Of Actions

Mazda continues to assess the effectiveness of its actions in comparison to industry standards and practices.

There are a range of ways Mazda demonstrates how they assess the effectiveness of its actions, including:

1. An established process to review the actions they have taken. This includes an annual executive review of Mazda's response to modern slavery.
2. Conducting internal audits and/or monitoring of specific steps Mazda has taken to assess and address modern slavery risks.
3. Working with suppliers to check how they are progressing, including any actions they have put in place to address modern slavery risks.

1.7. Looking Forward

Mazda has set the following priorities for 2021:

1. **Reviewing Policies and Procedures** - to continue to ensure Mazda's current policies and procedures are consistent with the Australian Modern Slavery Act.
2. **Modern Slavery Training** - to staff involved in or overseeing procurement to ensure they are able to identify and manage modern slavery risks.
3. **Contracts compliance with policies** - Make it clear in our procurement process the requirement to be fully compliant with Mazda policies which address legal and ethical compliance.
4. **Organisations** - become more actively involved in charitable organisations with aims consistent with and in alignment with the values afforded by the Modern Slavery Act.

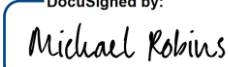


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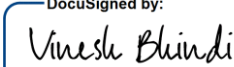
Executed by Mazda Australia Pty Ltd:

This Modern Slavery Statement is signed by the following signatories on behalf of the Board of Mazda Australia Pty Ltd that is the principal governing body for the reporting entity.

This Statement was approved by the whole of Mazda Australia Pty Ltd's board of directors on 20 August 2021.

Signature: DocuSigned by:

597AF40503A8488
Michael Robins
Date: 20-Aug-2021 | 14:24 AEST

**General Counsel (Board Member and Head of Legal)
Mazda Australia Pty Ltd**

Signature: DocuSigned by:

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Vinesh Bhindi
Date: 20-Aug-2021 | 14:26 AEST

**Managing Director (Board Member and Director of Mazda)
Mazda Australia Pty Ltd**