



## Modern Slavery Statement

### 1. Introduction

Mizuho Securities Asia Limited (MHSA) is a reporting entity with reporting requirements under the Commonwealth Modern Slavery Act 2018 (hereinafter referred to as the “Act”) and has published its annual Modern Slavery Statement (hereinafter referred to as the “Statement”) for the fiscal year 2019 (the period from 1 April 2019 to 31 March 2020).

MHSA conducts its business in Australia through its Sydney office. MHSA is a registered foreign company in Australia (ARBN: 603 425 912).

### 2. Structure, Operations and Supply Chains

#### Mizuho Financial Group, Inc.

MHSA is a Hong Kong-based subsidiary of Mizuho Securities Co., Ltd. (MHSC), the core securities firm in the Mizuho Financial Group (MHFG). Our parent company is a global enterprise with subsidiaries operating in all major financial markets worldwide. MHFG is incorporated in Japan as a bank holding company in accordance with the Banking Act. Its shares are listed on the First Section of the Tokyo Stock Exchange (TSE) and its ADRs are listed on the New York Stock Exchange (NYSE).

#### Mizuho Securities Asia Limited

MHSA is an investment banking and securities firm incorporated in Hong Kong. MHSA is licensed and regulated by the Hong Kong Securities and Futures Commission. MHSA provides a wealth of financial products and services covering regional brokerage, corporate finance, M&A advisory and capital market advisory. Our clients are diverse, including financial institutions, hedge funds and multi-national professional investors. With about 250 employees, MHSA strives to grow into a full-service investment bank in Asia, giving our clients the highest quality service.

#### Supply chains

The business activities undertaken by MHSA are supported by a network of suppliers providing goods and services, such as office supplies, computer systems and other outsourced operations.

As a financial services company, MHSA's supply chains consist of custodian banks, electronic settlement agents for settlement services and securities trading brokers.

Please see MHFG's [Integrated Report](#) for the organizational structures of MHSA and MHFG, and detailed information about the business activities of MHFG and its subsidiaries.

### **3. Risks of modern slavery practices within operations and supply chains**

MHFG has formulated the Mizuho Code of Conduct, which is positioned as the ethical rules to be complied with in implementing Mizuho's Corporate Identity, and serves as the foundation for the various decisions made with regards to business administration and operations. The Code of Conduct has been adopted by its subsidiaries including MHSA.

In its Code of Conduct, MHFG declares that "as well as acting with respect for the internationally recognized human rights of everyone and acknowledging that our business activities may have the potential to impact human rights, we will work to create a corporate culture in which the spirit of respect for human rights is all-pervasive."

In April 2018, MHFG developed a Human Rights Policy, in accordance with the Guiding Principles on Business and Human Rights and ISO26000, responding to recent changes in the business environment and societal expectations. This Human Rights Policy has also been adopted by MHSA.

In developing the Human Rights Policy, we classified human rights issues by the type of business activity after identifying the primary human rights issues in the finance industry, along with issues that are common to all industries, based on internationally recognized guidelines and cases of human rights abuse in the financial sector (see Table 1 below).

We also took into consideration human rights issues related to modern slavery risks such as forced labor, child labor and others. The human rights issues highlighted by the red lines in the table below are those which we recognize as requiring particular attention to in relation to modern slavery risks.

In developing the policy, for each of the human rights risks, we identified the gaps between our own operations and the results of benchmark analysis based on internationally recognized guidelines and leading company practices in the financial sector. After identifying priority issues and specific actions required to fulfill our responsibility to respect for human rights, we engaged in dialogue with

external human rights experts and received valuable advice. Based on these steps, the policy was finalized.

**Table 1: Major Human Rights Issues in the Finance Sector**

Business Activity	Human Rights Issue	
(A) Provision of Financial Services	<ul style="list-style-type: none"> <li>• Customer privacy</li> <li>• Access to financial services</li> </ul>	<ul style="list-style-type: none"> <li>• Discriminatory expressions in communications</li> <li>• Impact on community</li> </ul>
	Impact on human rights through our business operations	
	<ul style="list-style-type: none"> <li>• Impact on community</li> <li>• Impact on employees</li> </ul>	<ul style="list-style-type: none"> <li>• Rights of indigenous peoples</li> </ul>
(B) Employment	<ul style="list-style-type: none"> <li>• Issues in working conditions and environment</li> <li>• Employee privacy</li> </ul>	<ul style="list-style-type: none"> <li>• Freedom of association</li> <li>• Discrimination and harassment against employees and other persons</li> </ul>
	(C) Procurement	<ul style="list-style-type: none"> <li>• Impacts related to employees of suppliers</li> <li>• Impact on society through procurement</li> </ul>

#### 4. Actions taken to assess and address modern slavery practices

MHSA strives to take appropriate prior and subsequent actions to prevent or mitigate negative impacts on human rights, related to modern slavery risks such as forced labor and child labor with the potential of arising from our business activities, and continuously incorporates human rights perspectives into our existing measures. The details of our initiatives are as follows.

##### A) Provision of financial services / Financing and investment

MHFG has formulated the Environmental and Social Management Policy for Financing and Investment Activity, that prohibits financing or requires additional due diligence regardless of sector for the transactions which involve serious risks or negative impacts on the environment and society, including prohibition of financing for projects that involve forced labor and child labor. This policy also identifies sector-specific environmental and social risks, and stipulates that we will determine whether to assist with capital raising for projects and customers, after confirming the measures which the customer is taking to avoid or mitigate such risks or conducting other due diligence as appropriate based on the characteristics of the services we are providing. This policy has been adopted by MHSA.

As part of its efforts to enhance compliance, MHSA conducts due diligence of its



customers. In the due diligence process, we screen for reputational risks, compliance with regulations and the existence of financial crimes, using a database which includes customer's published data and information released by internationally recognized media and others.

#### B) Employment

MHSA has set rules regarding the working environment and working conditions in compliance with local laws and regulations. We also formulated basic policies for ensuring suitable employment conditions and a safe work environment, and adopted MHFG code of conducts and guidelines which specify matters that officers and employees (hereafter collectively referred to as "Staff Members") must be aware of and comply with to ensure and maintain a healthy work environment where all people in the same workplace respect each other's human rights and aim to achieve mutual understanding.

The guidelines stipulate, in accordance with the ILO Declaration on Fundamental Principles and Rights at Work including non-discrimination and prohibitions against forced labor and child labor, that we must act with respect for the human dignity and fundamental rights of all employees and specify matters that all Staff Members must be aware of to ensure the prohibition and elimination of harassment.

MHSA conducts a variety of training sessions and other educational activities to promote understanding of the importance of respect for diversity and prohibition and elimination of harassment.

MHSA has in place a Whistle-Blowing Procedure for employees to report any malpractice. Employees can report anonymously, and any retaliatory actions against those who have made a report is strictly prohibited.

#### C) Procurement

MHSA has formulated policies and procedures on outsourcing, which is intended to promote the efficient and appropriate use of suppliers to provide services to MHSA in a manner consistent with all applicable legal and regulatory

requirements. MHSA identifies suppliers providing critical services and conduct a due diligence process before engaging new outsourcing service providers and periodically on an ongoing basis. In the due diligence process and ongoing review, we assess the supplier for reputational risks, compliance with regulations and the existence of financial crimes.

MHSA is aware of the need to develop a more robust approach and to take steps forward in this area.

## **5. Assessment of the effectiveness of actions taken**

MHSA aims to periodically review the effectiveness of the relevant policies, procedures and training it has in place, and to implement additional measures as appropriate. Current assessments undertaken by MHSA include:

### **A) Provision of financial services / Financing and investment**

Applications for any proposed underwriting to MHSA's Underwriting Committee include an assessment against the Environmental and Social Management Policy for Financing and Investment Activity of whether the offering involves a project which involves forced labor or child labor.

### **B) Employment**

MHSA is committed to the safety, well-being, and principle of equal opportunity for all employees and to provide employees with a work environment free of discrimination, harassment, vilification and victimization. We offer an insurance scheme that covers medical expenses, as well as an Employee Assistance Program that provides assistance to employees faced with work-related or mental challenges at home. We run annual employee opinion surveys and have employee resource groups designed to raise awareness and understanding to enhance workplace culture and the quality of our human resources management

### **C) Procurement**

MHSA assesses service providers providing critical outsourcing services on an annual basis to confirm that various risks and compliance items are sufficient, including assessment on reputational risk related to human rights. No adverse risks have been identified during the annual review and the results of this annual assessment are reported to MHSA management.

**6. Process of consultation**

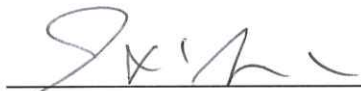
MHSA does not own or control any subsidiaries.

**7. Other relevant information**

The COVID-19 pandemic has significantly impacted the business environment under which MHSA operates. We will remain steadfast in implementing our current initiatives to prevent and mitigate modern slavery risks, and we will further strengthen our actions in response to ongoing changes in the situation.

**8. Approval**

This statement was approved by the Board of Directors of Mizuho Securities Asia Limited on 11 December 2020 and has been signed by Mr. Hirona Ishii, President & Chief Executive Officer.

A handwritten signature in black ink, appearing to read "Hirona Ishii", written over a horizontal line.

Hirona Ishii  
President & CEO  
Mizuho Securities Asia Limited

Date: 15 Dec 2020