

## Statement on Modern Slavery 2022

Tokyo Timor Sea Resources Pty Ltd (TTSR) makes this statement on modern slavery for the financial year ended 31 December 2022 in accordance with the *Modern Slavery Act 2018* (Cth). This statement sets out the steps taken to minimise the risk of modern slavery and human trafficking taking place in TTSR's business operations and supply chains. This statement has been approved by TTSR's Board of Directors.

### 1. Introduction

TTSR recognises that modern slavery is a crime. Furthermore, TTSR acknowledges that modern slavery is morally reprehensible acts that deprive a person's liberty and dignity for another person's gain. TTSR understands that it is a serious problem for millions of people around the world, including both in developed and undeveloped countries. TTSR further understands that there are various forms of coercion, exploitation and deception and that all organisations face challenges in minimising the risks to their operations associated with suppliers not properly mitigating their modern slavery risks.

TTSR is committed to taking steps to prevent slavery and human trafficking in its operations and supply chains, as outlined in this statement. This statement sets out the actions that TTSR has taken to understand potential modern slavery risks related to its business, and to implement steps to prevent slavery and human trafficking during the financial year 2022.

### 2. The Reporting Entity - TTSR

TTSR is owned 100% by TTSR Inc., a US incorporated entity. TTSR Inc. in turn has two Japanese shareholders: JERA Co., Inc, which owns 66.7% (JERA) and Tokyo Gas Co., Ltd, which owns 33.3% (Tokyo Gas). TTSR has its headquarters in Perth, Western Australia. TTSR is the investor and holder of a participating share of the Bayu-Undan oil and 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 has its headquarters in Tokyo, Japan. Chubu has its headquarters in Nagoya, Japan.

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

TTSR has no entities that it owns or controls, and no joint statement will be submitted. TTSR will not be covered in any other entity's statement.

### **3. Structure, Operations and Supply Chains**

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

The Project is operated by Australian affiliates of Santos Limited (Santos). Santos' 2021 Modern Slavery Statement may be found at <https://www.santos.com/news/santos-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 and gas in the Project expected to end in 2023, after which works to decommission and abandon the wells and facilities will be the main activity.

TTSR's current day to day activities are non-operational and are limited to participating in management meetings, monitoring production status of remaining wells and preparation for various abandonment works. Santos, as the operator, is responsible for procurement activities and all operational matters. Santos has in place policies and procedures in relation to the mitigation of modern slavery risks.

As part of TTSR's monitoring activities, TTSR engages 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 chains to be low.

### **4. Modern Slavery Risks in its Supply Chains**

TTSR has considered the risks that it may cause, contribute or be directly linked to modern slavery practices. The key risk identified for TTSR is that it engages a supplier that is involved in modern slavery. This is considered a very low risk due to the limited direct dealings with suppliers TTSR has. Furthermore, its only engagements are generally with local law firms, accounting firms and tax advisors. TTSR's procurement process is aimed at screening these suppliers for any possible modern slavery practices.

TTSR also seeks to promote ethical business practices that protect workers in the organisations and supply chains that it has contact with. In 2022, TTSR had in place the following measures to minimise the likelihood that it could cause, contribute or be directly linked to modern slavery practices:

- policies that identify the standards that TTSR service providers are required to follow, which at the minimum is obeying all relevant laws. Personnel assigned to TTSR have been provided training on compliance and are required to acknowledge their adherence to the policies and procedures annually.
- Both JERAA and TGA, the entities providing services to TTSR, have "Codes of Conduct" and policies and procedures which set out the minimum standard of behaviour employees must adhere to in order to comply with all laws and business ethics. TTSR undertakes compliance reviews as required to ensure employees meet the minimum standards of behaviour. 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 awareness training for its staff, including those who provide services to TTSR. Some TTSR staff are also members of a cross functional modern slavery working group. The working group's purpose is to assess modern slavery risks for JERAA, identify and mitigation actions required and to educate all staff on the risks of modern slavery and what action is required to address the risks.
- Each of TTSR's shareholders and JERAA and TGA (the entities providing the services) have whistle-blower policies which set out the process for anonymously reporting any conduct, or suspected conduct, which is in breach of business ethics or legal obligations. At least one of the anonymous reporting email addresses are operated by outside agencies and are accessible to each of the service providers. In each case, any complaints or issues will be brought to the attention of corporate management.

JERA also has a Group Human Rights Policy which was established in accordance with the international norms and social codes regarding human rights, including the Universal Declaration of Human Rights. This policy provides that the JERA Group, which includes TTSR, will have absolutely no involvement in any kind of inhumane labour, including child labour, forced labour, overwork and non-compliance with the legal minimum wage. The policy is available here - [Human Rights Policy | Compliance | JERA](#)

## **5. 2022 Actions Taken to Address Risks**

In 2022 TTSR continued to assess the modern slavery risks associated with the Project and its supply chains. As TTSR is a non-operating joint venture partner, TTSR has no direct contact with suppliers. Any supplier queries are dealt with by Santos, the Operator.

Members of both JERAA and TGA, the entities providing services to TTSR, participated in quarterly meetings of the Modern Slavery Working Group. The working group assessed the modern slavery risks, determined whether any additional controls were required, and assessed the effectiveness of any controls implemented. The Modern Slavery Working Group also presented a "Lunch and Learn" to staff outlining what modern slavery is, the requirements of Australia's *Modern Slavery Act 2018* (Cth), the key risk areas, any mitigations taken and case studies to improve staff and management awareness of the risks.

The TTSR shareholders, directors and leadership team were also required to complete modern slavery awareness training. TTSR also reviewed the Project Operator's actions, especially in relation to managing any impacts of COVID-19 on its offshore operations. TTSR also assessed the modern slavery risks and sought to incorporate best practise in its (albeit limited) procurement of services (law firms, tax advisors and accountants) and supply chains.

## **6. Reviewing and Assessing Effectiveness**

The modern slavery working group assesses the effectiveness of the modern slavery actions implemented and reports any gaps or opportunities for improvement to management.

**7. Approval**

The Board of Directors of Tokyo Timor Sea Resources Pty Ltd approved this modern slavery statement for the financial year ended 31 December 2022.

Date:

Signed for and on behalf of Tokyo Timor Sea Resources Pty Ltd (ACN 000 751 593)

Handwritten signature in black ink, consisting of four characters: 吉村秀樹 (Yukimura Hideki).

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Hideki Yukimura  
Managing Director  
Tokyo Timor Sea Resources Pty Ltd