



MITSUBISHI ELECTRIC AUSTRALIA MODERN SLAVERY STATEMENT FY2024

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MESSAGE FROM OUR MANAGING DIRECTOR

On behalf of the Board of Directors of Mitsubishi Electric Australia, I am pleased to present our fifth modern slavery statement for the financial year ending 31 March 2024.

The Mitsubishi Electric Group has a long history of supporting human rights and this is embedded in the Mitsubishi Electric Corporate Philosophy, in particular our values of Humanity and Society. This commitment has been enhanced through our membership with the UN Global Compact and our parent company's membership with the Responsible Business Alliance.

Mitsubishi Electric Australia is committed to respecting, promoting, and protecting human rights and taking steps to address human rights abuses and modern slavery in our operations and supply chain. We are aligned with the 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.

This fifth modern slavery statement reaffirms our commitment to actionable change and outlines the measures that we are taking to monitor and address the risks of Modern Slavery.



Jeremy Needham

Managing Director, Mitsubishi Electric Australia

This modern slavery statement was approved by the Board of Directors of Mitsubishi Electric Australia on 8 January 2025.

1. INTRODUCTION

Mitsubishi Electric Australia Pty Ltd (ABN 58 001 215 792) (**Mitsubishi Electric Australia**) is 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.

Mitsubishi Electric Australia is part of the Mitsubishi Electric Corporation group of companies (**Mitsubishi Electric Group**). Respect for and protection of human rights has long been part of Mitsubishi Electric Group'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.

This modern slavery statement (**Statement**) has been prepared by Mitsubishi Electric Australia in compliance 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 ended 31 March 2024 (**FY2024**).

Mitsubishi Electric Australia is the sole reporting entity covered by this Statement. Mitsubishi Electric Australia does not own or control any other entities.

2. OUR STRUCTURE, OPERATIONS AND SUPPLY CHAIN

2.1 Our structure

Mitsubishi Electric Australia's ultimate holding company is Mitsubishi Electric Corporation (**MELCO**), a public company headquartered in Tokyo, Japan and listed on the Tokyo Stock Exchange (TYO:6503). MELCO is a global leader in the manufacturing, marketing and sale of electrical and electronic equipment used in cooling and heating, consumer electronics, home appliances, information processing and communications, space development and satellite communications, defence, industrial technology, energy, power systems, transportation and building equipment.

Mitsubishi Electric Australia's shares are partly held by MELCO and partly held by Mitsubishi Electric Asia Pacific (**MEAP**), also a subsidiary of MELCO. Mitsubishi Electric Australia does not own or control any other entities.

2.2 Our operations

Mitsubishi Electric Australia, headquartered in Sydney Australia, supplies Mitsubishi Electric products and solutions in Australia ranging from cooling, heating and air treatment systems to home appliances, transportation and heavy engineering, power, automotive and automation systems.

Mitsubishi Electric Australia has offices across New South Wales, Victoria, Queensland, South Australia, Western Australia and the Australian Capital Territory. Mitsubishi Electric Australia also operates a factory situated adjacent to our Rydalmere headquarters, which provides assembly, testing and maintenance services for power and railway systems.

- *Operating in Australia for over 50 years*
- *FY2023/24 Actual Sales: \$481 Million*
- *Total number of employees: 307(March 2024).*

Our core operations comprise:

- in relation to our cooling and heating and home appliances divisions:
 - the importation of finished goods and spare parts from entities within the Mitsubishi Electric Group, as well as complimentary products from other suppliers;
 - the distribution of products via third party providers of transport and warehousing services;
 - the marketing, sale and service through distributors, dealers, retailers and contractors of air conditioning, fridges, air purifiers and jet towels.
- in relation to our railway systems and power divisions:
 - the importation of finished goods and spare parts from entities within the Mitsubishi Electric Group, as well as complimentary products from other suppliers;
 - the assembly, testing and maintenance of products within our factory at Rydalmere in New South Wales;
 - the marketing and sale directly to government and contractors of railway systems (traction, auxiliary power supply, air conditioning, train management systems and communications systems) and power products (high voltage switchgear).
- in relation to our industrial automation, automotive and building management systems divisions:
 - the importation of finished goods and spare parts from entities within the Mitsubishi Electric Group, as well as complimentary products from other suppliers;
 - the distribution and warehousing of products from our facility at Rydalmere, NSW;
 - the marketing, sale and service through distributors and contractors of industrial automation (SCADA, PLCs, robots, servos and drives), automotive (starter motors, alternators) and building management systems.

Our parent company, MELCO, oversees product research and development, which is undertaken primarily in Japan. MELCO's subsidiaries in Thailand, Japan and Italy carry out product development and most of the manufacturing activities utilised in our supply chain.

2.3 Our supply chain

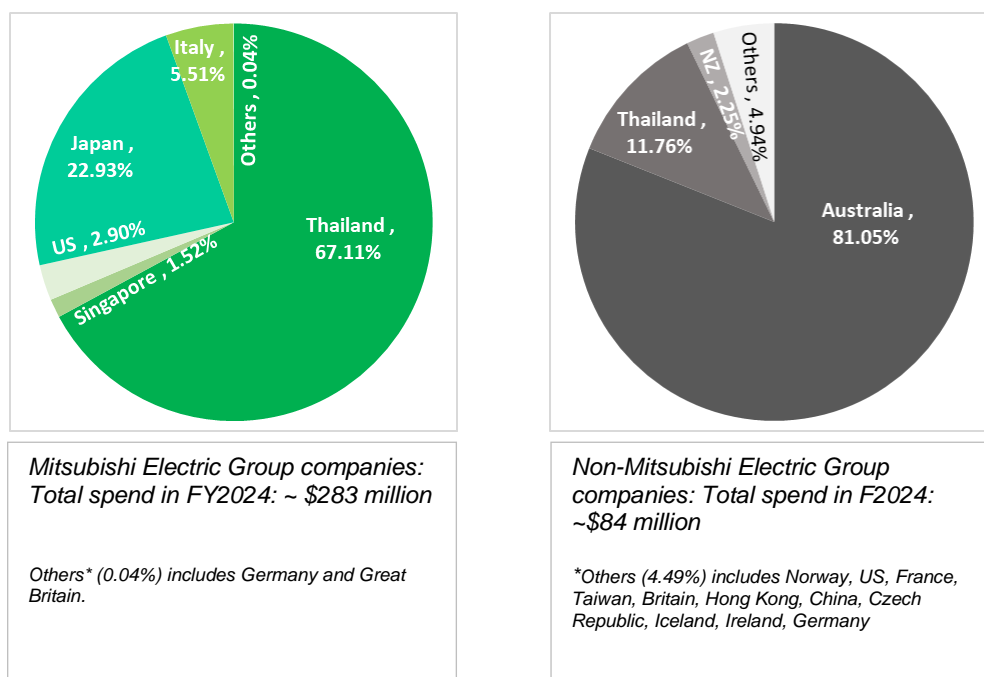
Mitsubishi Electric Australia's supply chains include:

- in our cooling and heating and home appliances divisions, the products are manufactured at factories operated by other Mitsubishi Electric Group entities, primarily located in Thailand, Italy and Japan. Any final assembly, installation and commissioning work required are undertaken by our local workers in Australia;
- in our railway systems and power divisions, the products are manufactured at factories operated by other Mitsubishi Electric Group entities, primarily located in Japan and Pittsburgh, USA. We also purchase parts from other suppliers in Europe, Taiwan, China and New Zealand. Final assembly, installation and commissioning work required are undertaken at our factory in Rydalmere, NSW as well as our field technicians in Australia;
- in our other divisions, the majority of the finished goods and components are sourced from suppliers within the Mitsubishi Electric Group located in Japan and the United States and sold to distributors and contractors.

Mitsubishi Electric Australia also engages with suppliers who provide goods and services essential to supporting our local operations. This includes areas such as transport logistics and warehousing, cleaning and maintenance services, security, marketing, IT solutions, travel arrangements and professional services.

We source goods and services both domestically and internationally to support our local operations. A significant portion of the purchases made by Mitsubishi Electric Australia in the ordinary course of business come from overseas suppliers, many of which are part of the Mitsubishi Electric Group.

Across FY2024, we purchased goods from suppliers located in the following countries:



3. MODERN SLAVERY RISKS IN OUR OPERATIONS AND SUPPLY CHAINS

3.1 Mitsubishi Electric Australia's supply chain

As noted in section 2.3, our supply chain includes both domestic and overseas suppliers, with two-thirds of all purchases by Mitsubishi Electric Australia made through the Mitsubishi Electric Group, the majority of which are sourced from MELCO's subsidiary in Thailand. We remain acutely aware of the modern slavery risks present in these overseas jurisdictions, noting in particular that the risks are higher in countries located in certain parts of Asia and the Pacific Region.

We are also aware that the industries we operate in, particularly the sourcing and manufacturing of electrical, electronic and mechanical components for HVAC and railways products, has been associated with a heightened risk of modern slavery. Some of our raw materials may also involve minerals which are often linked to various forms of modern slavery.

In addition, our reliance on multi-tiered supply chains may introduce additional layers of complexity for monitoring and addressing modern slavery risks, as in some circumstances, we may lack visibility of the practices of suppliers in secondary levels of our chains of suppliers and sources of materials.

Mitsubishi Electric Australia is committed to proactively monitoring and addressing these risks. Over the past years we have also been steadily maturing our understanding of Modern Slavery risks which are unique to our local supply chain and operations, independent from Mitsubishi Electric Group.

4. ACTION TAKEN TO ASSESS AND ADDRESS OUR MODERN SLAVERY RISKS

4.1 Policies and guidelines of Mitsubishi Electric Australia

Mitsubishi Electric Australia's commitment to prevent modern slavery in our operations and supply chains is underpinned by the policies and guidelines that we, and our parent company, have in place.

Mitsubishi Electric Australia's Human Rights Policy

In April 2023, Mitsubishi Electric Australia published our local [Human Rights Policy](#) to better support and align with the Mitsubishi Electric Group's Human Rights Policy, and to support the implementation of key human rights initiatives within Australia. Our Human Rights Policy is our formal commitment 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.

Other Mitsubishi Electric Australia Policies

In addition, Mitsubishi Electric Australia has adopted the following internal policies and guidelines which are relevant to ensure ethical practices within our operations and supply chain:

- Mitsubishi Electric Australia's Whistleblower Policy; and
- Vendor Application Business Declaration Checklist.

Mitsubishi Electric Group Policies

MELCO's Corporate Ethics and Compliance Statement requires all executives and members of the Mitsubishi Electric Group to conduct themselves always with respect for human rights. MELCO has implemented the following policies and guidelines for respecting human rights which apply to all Mitsubishi Electric Group entities, including Mitsubishi Electric Australia:

- [Mitsubishi Electric Group Code of Conduct](#), updated in March 2024 and applies all officers and employees of the Mitsubishi Electric Group, reflects the Group's commitment to:
 - prohibition of forced labour and child labour;
 - compliance with labour-related laws and regulations as well as the work rules of each country and region;
- [Mitsubishi Electric Group Human Rights Policy](#), updated in August 2024, sets out the Mitsubishi Electric Group's initiatives to respect human rights based on international norms. This policy requires the Mitsubishi Electric Group to respect the human rights of not only Group employees and supply chain employees, but also customers, consumers and local communities.
- [Mitsubishi Electric Group Supply Chain Code of Conduct](#), established in February 2024 in line with the Responsible Business Alliance (RBA) Code of Conduct. The RBA, which MELCO became a member of in 2022, is the world's largest industry coalition dedicated to responsible business conduct in global supply chains. This Supplier Chain Code of Conduct aims to give Mitsubishi Electric Group's suppliers a deeper understanding of the Group's attitudes toward sustainable procurement and what compliance efforts are expected from them.

4.2 How we assess and address modern slavery risks

Mitsubishi Electric Australia identifies, assesses, monitors and controls modern slavery risks in our operations and supply chains through the following initiatives and activities:

- **UNGCNA membership:** Mitsubishi Electric Australia is a member of the Australian Chapter of the UN Global Compact (UNGCNA). FY2024 saw Mitsubishi Electric Australia continue to honour our commitment as a participating member of the UNGCNA by taking part in the Modern Slavery Practitioner Community and attending the Australian Dialogue of Business and Human Rights session on 30 August 2023. Mitsubishi Electric Australia remains committed in our engagement with the UNGCNA and seeks to become more invested with our involvement in outreach activities and awareness-raising initiatives in future.
- **Governance and compliance:** Mitsubishi Electric Australia's response to modern slavery is headed by the Chief Compliance Officer and supported by other divisions within the organisation including Legal, Finance, Internal Audit, Human Resources and Procurement. MEA intends to implement a formal governance policy which covers modern slavery issues, in the 2024/2025 financial year.
- **Workforce:** Mitsubishi Electric Australia conducts appropriate background checks to ensure that all prospective employees have the right to work in Australia. There are also controls and processes in place to ensure that employees are paid in line or above the relevant Modern Awards applicable to our business.

- **Training and education** Mitsubishi Electric Australia employees receive specific training on modern slavery, including how to identify and report potential or actual breaches of the Modern Slavery Act. All new employees of Mitsubishi Electric Australia are also required to undertake mandatory training on the Group Code of Conduct as part of their induction process.

On 10 December each year, the Mitsubishi Electric Group observes Human Rights Day by promoting awareness of Modern Slavery risks within the Group and providing updates on the initiatives implemented at Group level, to combat forced labour and child labour.

Since 2018, MELCO has conducted a sustainability-related e-learning program for Mitsubishi Electric Group employees which includes human rights. In FY2023, the program was upgraded to incorporate international standards on human rights.

- **Contracts**: Mitsubishi Electric Australia's standard procurement contracts expressly require suppliers to take reasonable steps to identify, assess and address risks of modern slavery practices in the operations and supply chains used in the provision of goods and services. Suppliers must, as soon as reasonably practicable after they become aware of any modern slavery practices, take all reasonable actions to address or remove these practices. They must also promptly respond to reasonable information requests and inquiries from Mitsubishi Electric Australia in relation to their modern slavery risks and exposure.

Mitsubishi Electric Australia's standard terms of supply and procurement also require all counterparties to comply with all applicable laws, including the Modern Slavery Act.

- **Supplier due diligence and screening**: Mitsubishi Electric Australia conducts initial desktop assessments of prospective suppliers for modern slavery, anti-bribery and anti-money laundering and other unlawful activities. Ongoing supplier due diligence is conducted through Supplier Questionnaires for suppliers in high-risk areas.
- **Supplier engagement and remediation**: A briefing session was held in April 2023 with our Modern Slavery Working Group to prioritise the key areas to be addressed with specific suppliers and develop action plans.

It was determined that particular focus should be applied to contractors engaged by the Facilities Management division. Accordingly, in FY2024, MEA engaged with suppliers in the maintenance and security industries, to gain additional transparency and understanding of the measures they each had in place, to manage risk and prevent the occurrence of Modern Slavery within their own supply chains;

In FY2025, we intend to increase our focus on service providers in the hospitality industry, as the hospitality industry is assessed as presenting a moderate to high risk with respect to Modern Slavery matters.

At a group level, MELCO requires its principal suppliers (within the top 80% by spend) to complete its CSR Procurement survey once every 3 years, and consults with these suppliers about their survey responses.

Further human rights initiatives undertaken by MELCO include:

- **Human Rights Subcommittee**: The Mitsubishi Electric Group's Human Rights Subcommittee, established in FY2023, is responsible for reviewing human rights initiatives and resolving issues. Initiatives will be practically implemented by the Human Rights Working Group.
- **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. In FY2023, a survey was conducted to identify smelters which were compliant with the

Responsible Minerals Assurance Process (RMAP) accreditation. The Mitsubishi Electric Group will continue to promote RMAP compliance among smelters through industry activities.

- **Grievance Mechanism:** the Mitsubishi Electric Group accepts inquiries from all stakeholders (employees, business partners, customers, consumers, local residents etc) all days of the year through its Human Rights Contact Desk. Relevant departments will promptly investigate the facts pertaining to each complaint. If the investigation finds any act of human rights violation in the value chain of the Mitsubishi Electric Group, appropriate actions are taken including providing/requiring remedy to the victim, and disciplining the offending party in accordance with the UNCP.
- **Foreign Technical Intern Trainees:** MELCO surveys subcontractor factories to ensure there are no infringements of the Japanese Technical Intern Training Act. MELCO provides guidance to its subcontractors on areas for improvement and promotes activities for preventing the violation of human rights of foreign technical intern trainees.

In August 2023, Mitsubishi Electric Australia met with representatives of the MELCO Corporate Sustainability Division to discuss the modern slavery updates occurring at group level and to assess whether modern slavery measures being implemented in other MELCO Group Companies, could be adapted and implement by Mitsubishi Electric Australia.

In July 2024, Mitsubishi Electric Corporation presented its Q1 2024 human rights initiatives to Mitsubishi Electric Australia, including an analysis of Canadian Modern Slavery legislative changes, as a means by which to share ideas and examples of how modern slavery activities are managed in other jurisdictions.

Mitsubishi Electric Australia will meet with the MELCO Corporate Sustainability Division again in February 2025 and will otherwise continue to work closely with our related bodies corporate, to identify opportunities to combat modern slavery.

5. ASSESSING THE EFFECTIVENESS OF OUR ACTIONS

Mitsubishi Electric Australia is committed to monitoring the effectiveness of our processes and procedures to address the modern slavery risks present in our operations and supply chains. We will continue to engage with the Australian Chapter of the UN Global Compact, including through the Modern Slavery Communities of Practice, to improve our efforts to combat modern slavery.

We will continually assess the effectiveness of our actions in identifying and managing modern slavery risks by:

- tracking our actions and outcomes;
- engaging with our suppliers and other external partners regarding their human rights initiatives in their operations and supply chain;
- engaging with the MELCO Corporate Sustainability Division regarding the effectiveness of MELCO's activities in relation to human rights and modern slavery; and
- undertaking regular internal governance and external assurance processes.

Based on the results of these processes, we will adapt and strengthen our actions to continuously improve our response to modern slavery.

Appendix: Mandatory criteria under the *Modern Slavery Act 2018* (Cth)

Section of the Act	Criteria	Where the criteria is addressed in this Statement
16(1)(a)	The Statement must identify the reporting entity.	1. <i>Introduction</i> , page 4
16(1)(b)	The Statement must describe the structure, operations and supply chains of the reporting entity.	3.1. <i>Our structure</i> , page 4 3.2. <i>Our operations</i> , page 4 3.3. <i>Our supply chains</i> , page 5
16(1)(c)	The Statement must describe the risks of modern slavery practices in the operations and supply chains of the reporting entity, and any entities that the reporting entity owns or controls.	4. <i>Modern Slavery Risks in Our Operations and Supply Chains</i> , page 6
16(1)(d)	The Statement must describe the actions taken by the reporting entity and any entity that the reporting entity owns or controls, to assess and address those risks, including due diligence and remediation processes.	5. <i>Actions Taken to Assess and Address Our Modern Slavery Risks</i> , page 7
16(1)(e)	The Statement must describe how the reporting entity assesses the effectiveness of such actions.	6. <i>Assessing the Effectiveness of Our Actions</i> , page 9
16(1)(f)	The Statement must describe the process of consultation with: (i) any entities that the reporting entity owns or controls; and (ii) in the case of a reporting entity covered by a statement under section 14 — the entity giving the statement.	Not applicable to this Statement – Mitsubishi Electric Australia does not own or control any entities, and is not issuing a joint modern slavery statement
16(1)(g)	The Statement must include any other information that the reporting entity, or the entity giving the statement, considers relevant.	Please refer to the contents of this Statement
13(2)(c)	The Statement must be approved by the principal governing body of the entity.	<i>Message from our Managing Director</i> , page 3
13(2)(d)	The Statement must be signed by a responsible member of the entity.	<i>Message from our Managing Director</i> , page 3