

## **Modern Slavery Statement Mitsubishi Materials (Australia) Pty Limited**

### **1. Reporting entity**

This statement is a Modern Slavery Statement made by and on behalf of Mitsubishi Materials (Australia) Pty Limited (ACN 001 429 349) (**MMA**) of Suite 802, Level 8, 46-48 Market Street, Sydney NSW 2000, under the *Modern Slavery Act 2018* (Cth) for the reporting period of 1 January 2023 – 31 December 2023.

### **2. Overview of structure, operations and supply chains**

#### **2.1 Structure**

MMA is an Australian proprietary company limited by shares headquartered in Sydney, New South Wales, Australia. The sole shareholder of MMA is Mitsubishi UBE Cement Corporation of 1-1, Uchisaiwaicho 2-Chome Chiyoda-Ku Tokyo, Japan (**MUCC**), a foreign company incorporated in Japan and not registered in Australia. MMA does not have subsidiaries.

In April 2022, MUCC started operations through the integration of respective cement businesses and other related businesses of Mitsubishi Materials Corporation and Ube Industries Ltd.

MMA has 3 employees in Australia, no employees located overseas, and no subsidiaries.

However, its shareholder, MUCC, has several subsidiaries which are directly controlled by MUCC in the United States, Singapore, and Japan.

MUCC's group comprises MUCC and its domestic and international subsidiaries, including MMA, and has the following number of employees:

- (a) Consolidated (MUCC and its subsidiaries): 8,065 employees; and
- (b) Non-consolidated (MUCC): 1,871 employees.

MUCC and its subsidiaries are part of a larger corporate group of entities as detailed here:

<https://www.mu-cc.com/en/corporate/office/>

MMA holds a minority 6% interest in the unincorporated joint venture including other participants, trading as Warkworth Associates Joint Venture (**Joint Venture**).

#### **2.2 Operations**

MMA is involved in the conduct of coal mining operations in Australia and the sale of the coal produced from those operations. It conducts its Australian activities through the Joint Venture.

MMA's activities consist of:

- (a) extracting of coal (thermal and semi-soft type) and related activities through MMA's participation in the Joint Venture; and

- (b) selling MMA's portion of the coal obtained through the conduct of the mining operations of the Joint Venture.

MMA has one office located at Suite 802, Level 8, 46-48 Market Street, Sydney NSW 2000.

MMA has the following arrangements:

- (a) MMA's employees are responsible for overseeing MMA's coal interests in a coal mining operation in the Warkworth mine in Singleton, NSW.
- (b) All activities of the Joint Venture in relation to coal mining, coal extraction and production, logistics, marketing and sales are attended to by personnel engaged by the appointed manager of the Joint Venture, Yancoal Australia Limited (ACN 111 859 119) (**Joint Venture Manager**).
- (c) Save for what is set out in paragraph (b) above, MMA has no other contractual relationships with third parties in relation to the conduct of the affairs of the Joint Venture.
- (d) MMA has entered into a commercial lease for its registered office and principal place of business and has contractual arrangements in relation to the day-to-day running of its business, including employment agreements and agreements for the supply of office supplies and telecommunications services.

### 2.3 Supply chains

The number of direct suppliers to MMA is limited, as MMA's business activities are limited to holding non-operator joint venture interests as set out above.

MMA does not have any direct contractual arrangements with suppliers and distributors in relation to coal production apart from office related lease.

MMA's direct supply chains relate to the sourcing of goods and services required to manage and oversee MMA's activities. The primary types of goods and services acquired by MMA include:

- cleaning services;
- office rental;
- computer services and equipment;
- office supplies;
- security services;
- banking services;
- telecommunications services;
- insurance; and
- professional services.

To the best of MMA's knowledge, where appropriate, MMA enters into contracts with its direct suppliers, the majority of whom are from Australia.

### 3. Risks of modern slavery practices in the operations and supply chains of MMA

MMA's business activities are limited to holding non-operator joint venture interests. Accordingly, MMA has a limited number of direct suppliers. MMA has assessed its direct supply chains and considers the following to be potential risk areas, in particular the use by service providers of illegal workers or child labour or forced labour or the underpayment of workers:

- (a) cleaning services;
- (b) security services; and
- (c) computer services and equipment.

The level of risk is considered low in these potential risk areas given that MMA engages service providers that are local or service providers with local operations. All such service providers are subject to Australian laws and regulations in the provision of their services to MMA.

MMA acknowledges that traditionally modern slavery risks in the mining sector principally relate to the use of child labour and payment of workers below the minimum wage determined for the mining sector.

The mine with which the Joint Venture is concerned is located in Australia, a low-risk jurisdiction<sup>1</sup>, with robust laws and enforcement mechanisms in place to discourage and prevent these instances of modern slavery practices. In the circumstances, MMA considers the risks outlined above to be low risk. As mentioned, MMA holds interests in a non-operated mining joint venture. Those sites have their own operating and management standards. The Joint Venture Manager is responsible for operating the Joint Venture in compliance with relevant laws and regulations. Accordingly, MMA is reliant on the Joint Venture Manager for the management of that venture in respect of the identification and management of modern slavery risks.

### 4. Actions taken by MMA to assess and address these risks, including due diligence and remediation processes

#### 4.1 Actions of Holding Company

MUCC had the following in place during the reporting period:

- The MUCC Corporate Philosophy and MUCC Guiding Principles (**MUCC Corporate Philosophy**): <https://www.mu-cc.com/en/corporate/philosophy.html>; and
- The MUCC Corporate Governance Policy.

MUCC aspires to continue to support the future of the planet by providing the highest quality with the best technology and services, by adhering to its core values:

- Acting with integrity and sincerity, and deeply pursuing the essence of things;
- Respecting individual diversity and integrating the knowledge and skills of all employees to maximize the strength of the Group; and
- Boldly taking on challenges and going beyond convention, continuing to innovate to meet the demands of the world.

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<sup>1</sup> Australia is ranked as Tier One in the [2023 Trafficking in Person Report](#) issued by the US Department of State.

In order to ensure that these values are carried through to grass-roots level, MUCC adheres to management principles in the making of all of its decisions, including:

- Health and safety
- Compliance with social norms and laws
- Quality that earns customer trust
- Environmental protection
- Social contributions, and profits that support corporate growth.

MUCC implements the following 6 principles set out in MUCC's Code of Conduct:

- Put health and safety first:
  - It always makes safety and health its top priority, as they are the foundation of all of its activities.
- Take responsibility as individual members of society:
  - As responsible members of society, MUCC complies with laws and regulations, respects human rights, strives to protect the environment, and conducts fair and honest corporate activities.
- Deliver reliable product quality:
  - MUCC complies with all quality-related regulations, standards, and agreements with its customers and delivers reliable products and services.
- Deliver value worthy of trust:
  - MUCC continues to ensure delivery of high-quality products and services as a reliable and consistent business partner for its customers.
- Collaborate closely with diverse individuals:
  - Each employee of MUCC prides themselves on their work, recognizes one another's talents, and actively helps others to accomplish tasks beyond their individual capabilities.
- Take on challenges and growth for the future:
  - MUCC does not settle for the status quo, but thinks creatively, acts with a sense of urgency to capture changing trends, and continues to take on the challenges involved in building a better world.

## 4.2 Actions of MMA

MMA aspires to fulfill its corporate responsibility by implementing the 6 principles found in MUCC's Code of Conduct (which MMA adheres to) (available here: <https://www.mu-cc.com/en/corporate/philosophy.html>), which code of Conduct is reflective of MMA's company values to challenge, change, grow, praise and appreciate and to always act with integrity, creating a better future for people, society and the earth. The 6 principles that it implements are as follows:

- MMA will put health and safety first.
- MMA will take responsibility as an individual member of society.

- MMA will deliver reliable product quality.
- MMA will deliver value worthy of trust.
- MMA will collaborate closely with diverse individuals.
- MMA will take on challenges and growth for the future.

The principles and their underlying values, outlined above, both those of MUCC and MMA, are carried through in all of MMA's business practices. MMA follows a strict guideline provided to it by MUCC regarding MMA's working environment and leverages the policies and procedures that are implemented by MUCC. MMA closely adheres to all work-related legislative obligations, guidelines and regulations, including prohibiting any discrimination (including on the basis of age, race, gender, sexual orientation and disability) in its business practices. As a result, MMA respects the traditions, culture, labour and business practices of Australia.

In an effort to manage its exposure to modern slavery risks, MMA only participates in the Joint Venture on the basis that it is operated by a reputable organisation that has a strong commitment to addressing modern slavery risks. The Joint Venture Manager's modern slavery statement for the 2023 reporting period can be found here:

<https://modernslaveryregister.gov.au/statements/18634/>

#### 4.3 Due Diligence

MUCC conducts an internal audit with subsidiary companies by asking for feedback from employees, in order to identify and address internal issues, including modern slavery-related issues. MUCC's internal auditor also conducts audits of MUCC's subsidiary companies in respect of those companies' compliance with relevant laws, regulations and their respective obligations in relation to the protection of human rights, including obligations relating to modern slavery.

#### 4.4 Employees

All MMA's employees' contracts are reviewed annually to ensure that the contracts are in line with current Australian legislative requirements.

MMA employees are required to comply with the MUCC internal codes and policies which requires them to act lawfully, ethically and with integrity and encourages them to raise compliance and ethics concerns. Any MMA employee who violates MMA's standards may be subject to disciplinary action up to and including termination of employment.

MMA has an Employee Handbook (**Employee Handbook**) that ensures all its staff are employed in accordance with employment laws and standards. MMA also adheres to MUCC's Corporate Philosophy and Guiding Principles (**MUCC Corporate Philosophy**) (Available here: <https://www.mu-cc.com/en/corporate/philosophy.html>).

In 2023, MMA's parent company has conducted an internal audit and given employees the opportunity to raise any internal issues.

MMA has a whistleblowing policy in place in its Employee Handbook which ensures that its staff have a safe way of raising concerns confidentially including when this concerns suspicion of modern slavery. The MUCC Group Global Hotline for whistleblowing was established in 2023. MMA also adheres to MUCC's Group Global Whistleblowing Regulations.

#### **4.5 Policies**

MMA undertook a comprehensive review of its suite of policies to determine if MMA had sufficient policies in place to address human rights and modern slavery. MMA determined that its adoption of, and adherence to, the MUCC Corporate Philosophy, as well as its policies contained in the Employee Handbook, were sufficient in holistically addressing human rights and modern slavery.

#### **4.6 Remediation**

Where modern slavery is found in any of MMA's supply chains or operations, MMA is committed to:

- ensuring its actions are not adverse to the interests of the suspected victim or victims;
- promptly involving law enforcement so the situation is properly investigated, any victims are identified and protected, and the perpetrators are held to account;
- if MMA has caused or contributed to the exploitation, addressing the harm caused including issuing formal apologies and using its leverage to work with the entity that caused the harm to prevent or mitigate its recurrence;
- taking steps to ensure the harm should not recur, including engaging with suppliers to improve their response to modern slavery, training and awareness-raising;
- urging suppliers to respond to modern slavery risks in a way that is appropriate to their circumstances, including their size, capacity, structure, risk profile and leverage with their sub-suppliers;
- ensuring a 'zero tolerance' approach for inaction following engagement with suppliers where there is a suspected or found instance of modern slavery; and
- considering ending the relationship with a supplier that has caused or contributed to modern slavery if that supplier refuses to address the issue and there is no real prospect of change in their behaviour following engagement.

#### **4.7 Training**

MMA is committed to undertaking formal training on modern slavery to all of its staff in the coming years. It is also committed to providing its staff with links to online resources and training materials to increase their knowledge and awareness about modern slavery.

### **5. MMA assessment of effectiveness of actions taken**

MMA intends to assess the effectiveness of the actions it is taking to assess and address the risks of modern slavery practices in its operations and supply chains in the coming years by implementing an internal review mechanism of any notified, known or suspected instances of modern slavery in its supply chain.

### **6. Process of consultation**

Notwithstanding that this is not a Joint Statement, MMA actively engaged and consulted with MUCC in the preparation of this Statement.

## **7. Any other relevant information**

MMA recognises that the modern slavery landscape is such that a proactive approach is required in order to combat modern slavery and its effects. MMA is committed to managing the risks of modern slavery in its business practices, and will continue to adopt a transparent, modern slavery risk-averse and proactive approach to dealing with modern slavery and its risks.

This modern slavery statement was approved by the Board of Directors of MMA on 16<sup>th</sup> of January 2025.

### **Approval and signature**



Shinji YAMAGUCHI

Managing Director – Mitsubishi Materials (Australia) Pty Ltd