

Japan Australia LNG (MIMI) Pty Ltd

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Japan Australia LNG (MIMI) Pty Ltd Modern Slavery Statement 2021

1. Introduction

This Modern Slavery Statement describes the steps taken by Japan Australia LNG (MIMI) Pty Ltd (ABN 18 006 303 180) (**MIMI**) for the financial year ending 31 December 2021 to address modern slavery risks in its operations and supply chains in accordance with the Modern Slavery Act 2018 (Cth) (**Act**). MIMI is a reporting entity under the Act.

2. Structure, Operations and Supply Chains

MIMI is an Australian company ultimately owned 50/50 by Mitsubishi Corporation (**Mitsubishi**) and Mitsui & Co., Ltd. (**Mitsui**). MIMI's principal place of business is level 41, 152-158 St Georges Terrace Perth, Western Australia.

MIMI holds a 16.67% interest in the North West Shelf Project (**NWS Project**). The NWS Project is a major producer of liquified natural gas (**LNG**), natural gas, liquid petroleum gas (**LPG**), condensate and crude oil. Its operations consist of production from oil and gas fields located approximately 125 kilometres north-west of Karratha. The NWS Project's offshore production facilities include the North Rankin Complex, Goodwyn A and Angel platforms and the Okha, a floating production, storage and off-take vessel.

The NWS Project's onshore gas plant is located near Karratha, and comprises five LNG processing plants, a domestic gas plant to supply Western Australia, LPG production units as well as storage and loading facilities for LNG, LPG and condensate.

MIMI also wholly owns and controls Japan Australia LNG (MIMI Browse) Pty Ltd (ABN 94 157 922 211) (**MIMI Browse**). MIMI Browse holds a 14.4% interest in the Browse Project.

The Browse Project is proposing to develop the Brecknock, Calliance and Torosa fields located approximately 425 km north of Broome in the offshore Browse Basin. In September 2018, the Browse Project selected the Browse to NWS Project as the development concept to progress into the concept definition phase. The proposed development concept includes two floating production storage and offloading facilities delivering LNG/LPG and domestic gas, and an approximately 900 km pipeline to existing NWS Project infrastructure.

MIMI Browse is not a reporting entity for the purpose of the Act.

Both the North West Shelf Project and the Browse Project are operated by Woodside.

We note that Woodside has lodged Modern Slavery Statements for 2020 and 2021, which details a comprehensive systematic approach to assessing and managing human rights and modern slavery risks in its operational activities and supply chain.

3. Risks of Modern Slavery Practices in MIMI's Operations and Supply Chains

MIMI considers that the risks of modern slavery practices in its direct operations and supply chains are low. This is because MIMI does not carry out any operational functions in its oil and gas projects. Therefore, MIMI's direct supply chains and operational activities are limited to the activities performed in the Perth office.

During the reporting period, the Perth office had approximately 37 staff, several of whom are secondees or sponsored employees from MIMI's shareholders. In addition, MIMI has engaged onsite a contractor for provision of specialist information technology services, a labour hire firm for occasional secretarial support, and secondments from local professional firms.

MIMI's primary roles are as follows:

- (i) manage the investments in the NWS Project and the Browse Project, by overseeing and giving instructions to operator in the manner provided by the project agreements, and
- (i) product marketing and administration of product sales agreements, specifically:
 - long term LNG sales agreements with reputable and significant Japanese and Chinese customers,
 - LNG, condensate and oil sales to companies affiliated with Mitsui and Mitsubishi,
 - LPG sales to selected buyers, with BHP Billiton Marketing AG (an affiliate of BHP Group Limited) as MIMI's marketing representative. MIMI is aware that BHP Group Limited has lodged detailed Modern Slavery Statements for 2020 and 2021, and
 - pipeline gas sales agreement to local buyers.

MIMI has established a comprehensive Compliance Policy regime comprising internal corporate rules which includes the following matters:

- Anti-Bribery and Corruption Policy - the policy outlines MIMI's position on bribery and other corrupt behaviour, and promotes legitimate business practices on issues before the government and in the market place.
- Employee Handbook - the handbook provides the conditions of employment and guidance on business practices.
- Cost Control Guideline – promotes accountability of senior management for contracts entered into by MIMI.
- Contract Risk and Credit Risk Policy – provides assurance mechanism for contract risk.
- Whistleblower Policy – provides a confidential mechanism for MIMI employees to report non-compliance.

Accordingly, MIMI's direct supply chains are limited to its receipt of the office premises, equipment, usual office goods and services, and professional services. These supplies and services are subject to at market contractual regimes with local providers.

Consistent with MIMI's roles as expressed above, MIMI's direct operations are as follows:

- managing its investments in the NWS Project and the Browse Project through representation and contribution at the various projects' committees,
- funding of those projects as provided by the projects' agreements,
- assessment of projects' information for managerial decision making,

- marketing of products and administration of MIMI's product sales agreements,
- receipt of revenue from product sales and payment of invoices and taxation by a comprehensive finance and accounting division.

In respect the supply chains of the NWS Project and the Browse Project, the operator for both projects is Woodside. Woodside is responsible for all procurement processes and for the day-to-day operations of these two projects.

MIMI considers the risk of modern slavery in these operations and its supply chain to be low because Woodside is a reputable and publicly listed company domiciled in Western Australia, who conduct comprehensive risk management activities in connection with their suppliers and have well established governance policies. Furthermore, as a reporting entity for the purpose of the Act, Woodside is itself required to act in accordance with modern slavery law and lodge a Modern Slavery Statements.

MIMI acknowledges the potential for modern slavery to exist in the supply chains, particularly in high risk areas, such as contingent workers, labour hire and sub-contractors, and supplier geography. MIMI will work towards identifying specific risk factors of our business.

4. Actions to Assess and Address Risks

All MIMI employees are expected to comply with MIMI's Compliance Policy and Employee Handbook.

MIMI is committed to maintaining the highest ethical standards and vigorously enforces the integrity of its business practices. These principles are codified in the Compliance Policy and Employee Handbook. MIMI also runs annual compliance training for all employees.

MIMI is a large proprietary company and is required to complete an external audit annually on its financial statements under the Corporations Act 2001. Similarly, MIMI reports twice annually on its payment practices to Australian small businesses under the Payment Times Reporting Act 2020.

In addition, MIMI voluntarily completes a Japanese Sarbanes-Oxley review annually. This process requires an external limited assurance engagement which gives an opinion on the design and operating effectiveness of the internal controls over MIMI's financial reporting. It assesses whether various control processes have been designed to achieve the relevant control objectives and whether the control processes operated effectively throughout the period of the engagement. One of the control processes assessed includes a risk assessment process over the MIMI control environment with the control objective being to provide assurance that risks are minimised and managed, assets are protected, records are accurate and that they promote and encourage operational efficiency and adherence to policies, rules, laws and regulations.

Furthermore, MIMI is subject to a Mitsui / Mitsubishi lead internal audit every three years on compliance with MIMI's governance policies and procedures.

5. Assessment of the Effectiveness

There have been no reported instances of employees in modern slavery conditions or suppliers engaging in modern slavery practices.

No modern slavery or human trafficking concerns were reported to MIMI by its operator.

MIMI acknowledges that how we assess the effectiveness of our actions is an important aspect of a business's modern slavery response. This is an area MIMI will strengthen over time.

6. Process of Consultation with Owned/Controlled Entities

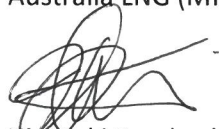
MIMI Browse operates under the direction and governance of MIMI. The members of the board of directors of MIMI Browse are the same persons who are members of the board of directors of MIMI. MIMI Browse does not have any employees.

7. Any Other Relevant Information

MIMI is committed to improving our processes with respect to our modern slavery risk management activities. MIMI intends to strengthen further the compliance framework and understanding of human risks in its supply chains. To this end, in 2022 MIMI will be implementing a refined modern slavery action plan which will include among other measures the further training of MIMI staff, closer monitoring of its direct supply chains, inclusion of modern slavery contract provisions as appropriate, and further oversight and due diligence of its operator in respect of its operations and supply chains.

This statement was approved by the board of directors in their capacity as principal governing body of Japan Australia LNG (MIMI) Pty Ltd on 31 October 2022.

This statement is signed by Hiroyuki Kurahashi in his role as Managing Director and Chief Executive Officer of Japan Australia LNG (MIMI) Pty Ltd and with the authority of the board of directors.



Hiroyuki Kurahashi
Managing Director and Chief Executive Officer
31 October 2022