

Modern Slavery and Human Trafficking Statement 2019

1. Our Commitment against Modern Slavery and Human

- 1.1 MEAUST is owned by Mitsubishi Electric Corporation (MELCO) and Mitsubishi Electric Asia Pte Ltd (MEAP). As a member of the Mitsubishi Electric Corporation group of companies, we apply the Mitsubishi Electric Group Human Rights Policy¹ and Mitsubishi Electric Group Conduct Guidelines.² These include our continuing commitment to respect international standards related to human rights and to respect the law, to act with highest integrity, and always to conduct ourselves with respect for human rights.
- 1.2 This is the first Modern Slavery Policy Statement (“Statement”) for the Mitsubishi Electric Australia Pty Ltd (MEAUST), in accordance with the Federal Modern Slavery Act 2018 (the Act).
- 1.3 Slavery, servitude, forced and compulsory labour and human trafficking (Modern Slavery) represent grave human rights abuses.
- 1.4 Since 27 April 2018, MELCO has been a signatory to the Ten Principles of the United Nations Compact on human rights, labour, environment and anti- corruption.³ MEAUST is committed to implementing policies and procedures that meet its moral and ethical obligation to end Modern Slavery.
- 1.5 This statement sets out the steps MEAUST has taken to address the risks of modern slavery and human trafficking in our operations and supply chains, in accordance with the Act. It outlines our continued efforts to broaden the scope of our programs; detect the risk of modern slavery and human trafficking across our business and supply chain; and ensure we have in place the most appropriate responses to that risk.

2 Identify our Business Operations Supply Chain

- 2.1 The aim of MEAUST is to be a successful Company committed to the manufacture, sale, and support of advanced technology that both anticipates and satisfies the evolving needs of the Company’s customers and society.
- 2.2 Our Australian business operations include:
- 2.2.1 sales and marketing of air conditioning and refrigeration products and services;
 - 2.2.2 sales of semiconductor products;
 - 2.2.3 supply of goods and services to the power sector;
 - 2.2.4 supply of goods and services for display screens, factory automation and automotive

¹ <http://www.mitsubishielectric.com/en/sustainability/csr/social/humanrights/policy/index.html>

² http://www.mitsubishielectric.com/company/csr/social/fair_compliance/pdf/Conduct_Guidelines_Final.pdf

³ <https://www.unglobalcompact.org/what-is-gc/participants/132677-Mitsubishi-Electric-Corporation>

parts markets; and

2.2.5 supply of goods and services for traction systems and various other electrical systems for trains.

2.3 As of 31 March 2020, we employ 295 staff in Australia and our annual turnover is in excess of \$400 million.

2.4 Our principal supplier of goods and services is our parent company Mitsubishi Electric Corporation and various Mitsubishi Electric companies within the group. We also buy from some third party suppliers, which is not a significant portion of our business.

3 Our Policies and Procedures

3.1 We have formal policies in place that are intended to promote ethical and legally compliant business conduct. Our policies contribute to our commitment to prevent violations of human rights such as modern forms of slavery in our business including our Code of Conduct, Human Rights Risk Assessment and Whistleblower policies.

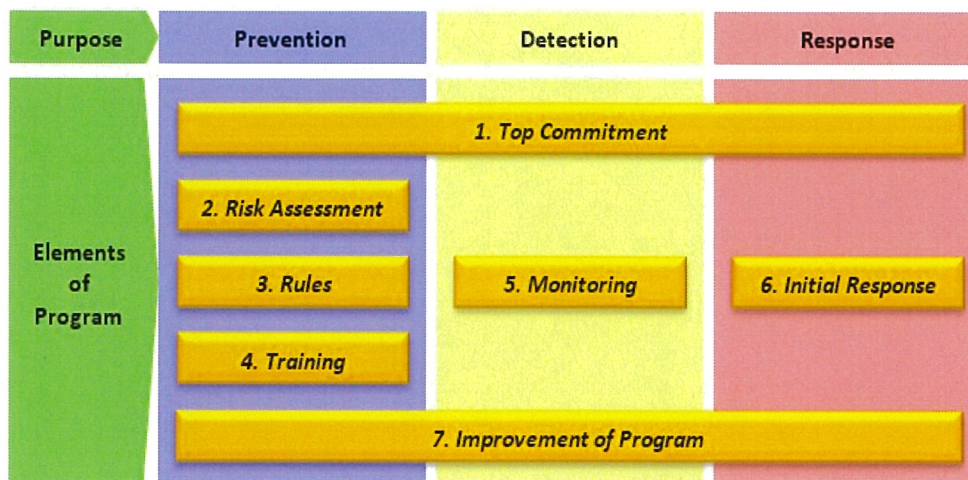
3.2 Mitsubishi Electric Group companies apply their own due diligence and processes for risk assessment and verification and transfer contractual compliance requirements as applicable to its sub-contractors to support compliance within the procurement supply chain.

3.3 We apply a proportionate approach to our due diligence processes for risk assessment and verification with regard to slavery and human trafficking. For our risk assessment we take into account the relevant products, components, packaging materials and services, production location and supply chain data. We also take into account a supplier's self-declaration of compliance and any compliance policy and/or other compliance representations. Should we identify a higher risk supplier then we would consider deeper verification processes to assess compliance and remedy any non-compliance.

3.4 All of the above procedural controls will be reviewed to ensure that we have robust processes in place to minimise the risk of modern slavery in our operations and supply chain.

4 Addressing Risk of Modern Slavery Practices

4.1 We are incorporating our Compliance Organisation Guidelines approach to address the various risks of modern slavery practices. This will ensure that our organisation has robust and effective processes that are firmly embedded in how we do business. Our Compliance Organisation Guidelines consist of the seven fundamental elements linked with the three purposes and can graphically be shown as below:



4.2 Our key actions to date and over FY2019 and previous years have been outlined below:

- 4.2.1 We incorporated anti modern slavery and human trafficking requirements in our majorsupplier contracts in 2017.
- 4.2.2 In early 2019, we undertook a risk assessment of our exposure to modern slavery and human trafficking.
- 4.2.3 Since later in 2019, reporting on modern slavery and human trafficking has been raised as part of our risk management processes.

4.3 Over the next year FY2020, our key focus areas will be:

- 4.3.1 Reviewing and updating our suite of risk-related policies and governance control measures;
- 4.3.2 Begin stakeholder engagement on this issue, including delivering appropriate awareness training sessions on modern slavery principles to relevant MEAUST staff and our suppliers;
- 4.3.3 Incorporating requirements into existing assurance processes; and
- 4.3.4 Preparing our second reporting cycle under the Act and if appropriate under the NSW Modern Slavery Act 2018.

5 Approval by MEAUST's Board of Directors

5.1 This statement was approved by the MEAUST's board of directors on 4th of December 2020 and was signed off by the Managing Director Jeremy Needham.

Signed,



Jeremy Needham
Managing Director
14 December 2020