

Marubeni

Marubeni Australia Ltd

Modern Slavery Statement

Marubeni Australia Ltd.
FY2021

This statement covers the activities of Marubeni Australia Ltd. (ACN 000329699) and its owned and controlled entities during the year ended 31 December 2021.

This modern slavery statement is made under the *Modern Slavery Act 2018* (Cth) and sets out the actions we have taken to assess and address modern slavery risks in our operations and supply chains.

Since our first modern slavery statement last year, we have continued to build on our approach to addressing modern slavery and have prioritised the awareness and understanding of modern slavery risks by our employees through training (including compliance with modern slavery legislation and Marubeni Australia Ltd.'s policies and procedures on human rights initiatives including the prevention of modern slavery).

This statement has been approved by the Board of Marubeni Australia Ltd. on 25 March 2022.

About us

At Marubeni Australia Ltd., we recognise that respecting the human rights of those affected by our business activities is important. We believe respect for the human rights of people affected by our business activities is indispensable and we take appropriate corrective measures if there is evidence that our business activities have had a negative impact. Marubeni Australia Ltd. seeks to create sustainable value by conducting business activities that respect human rights.

Our structure

Marubeni Australia Ltd. is a company incorporated in Australia and our registered office is located at Level 16, 44 Market Street, Sydney NSW 2000.

Marubeni Australia Ltd. is a subsidiary of Marubeni Corporation, headquartered in Japan. Marubeni Corporation and its subsidiaries (**Marubeni Group**) conduct a diversified range of business activities across its operating segments (lifestyle, ICT & real estate business, forest products, food, agriculture business, chemicals, energy, metals & mineral resources, power business, infrastructure project, aerospace & ship, finance & leasing business, construction, industrial machinery & mobility, and next generation business development), including import, export and offshore trading as well as domestic business transactions, domestic and overseas business investments, resource development and the provision of various services, through its global network of 132 locations in 67 countries and regions.

Marubeni Australia Ltd. does not have any owned or controlled entities.

Our operations

We are a trading house to export and import various items, a financier to Marubeni Group companies, and also a gateway to Marubeni Group in Oceania.

Our core operations are in trading beef products, renewable energy equipment and supplying materials to iron ore mines.

Marubeni Australia Ltd. engages 49 employees.

We hold minority interests in Marubeni Group companies that we do not operate. Our non-operated companies include Rangers Valley Cattle Station Pty Ltd., LCA Holdings Pty Ltd., Marubeni Aluminium Australia Pty Ltd., MAHA Finance Pty Ltd. and Hitachi Construction Machinery (Australia) Pty Ltd.

Our supply chain

We work with approximately 30 suppliers from a number of countries including Australia, Brazil, China, Indonesia, South Korea and Japan. Our suppliers are primarily located in Australia.

The main types of goods and services that we procure are beef products, renewable energy equipment and materials to iron ore mines.

We primarily engage our suppliers on long term arrangements.

We also have a few indirect suppliers, including office IT suppliers. They are major companies in Australia, the US and Japan. We primarily engage our indirect suppliers on long term arrangements.

Modern slavery risks

We recognise that modern slavery may impact our business activities and we endeavour to take responsibility for reducing the risk that we might contribute to modern slavery through our operations and supply chains.

Risk assessment methodology

We utilise a risk assessment methodology which considers a number of indicators of modern slavery risks including sector and industry, the type of products and services, geographical location and specific entity risk.

Using this methodology, we undertook risk assessments of modern slavery risks in our operations and supply chains over the reporting period to consider the extent to which we cause, contribute to, or are directly linked to modern slavery practices. These risk assessments have confirmed that our operations and supply chains continue to have a low potential for modern slavery risks.

Our broader risk profile is summarised in the table below.

Risk profile

Risk	Description of risk
Sector / Industry	We have identified a number of sectors and industries within our operations and supply chains that may have a higher prevalence of modern slavery risks because of their characteristics, products and processes. These include mining and resources, construction, electronics, cleaning, maintenance, logistics, shipping and freight.
Product / Service	Most of our suppliers are in Australia, thus, their products are considered low risk. However, we have identified some products such as electrical components and solar modules that may have a prevalence of modern slavery risks despite being sourced from Australian suppliers.
Geographic	We have identified a number of countries in our supply chains including China, Brazil and Indonesia which have a higher prevalence of modern slavery.
Specific Entity	We have not identified any entity-specific risks associated with any particular supplier.

Actions to assess and address risks

We understand the importance of working collaboratively with our employees, suppliers and the broader industry to combat modern slavery.

In this reporting period, we continuously maintained the steps set out in further detail below to assess and address modern slavery in our operations and supply chains.

Due diligence

As noted above, we undertook an initial risk assessment to identify any key modern slavery risks that existed within our operations and supply chains.

We prioritised further risk assessments on those operations and direct suppliers that we identified as 'high-risk' during our initial risk assessment. In these instances, we asked those suppliers and business partners to complete a detailed supplier questionnaire, which audited their ethical business practices and modern slavery risks. Where necessary, we conducted further desk-top research to understand our key risk areas.

We further prioritised those key risk business and supply relationships, based on where we had the greatest leverage to mitigate the potential modern slavery risks that existed in the relationships.

In FY2021, from our initial risk assessment, we identified four suppliers as presenting a potentially high risk of modern slavery, and asked these suppliers to complete the detailed supplier questionnaire. We received responses from each of these suppliers which indicated that they do not present a high risk of modern slavery.

Governance and accountability framework

Each General Manager of Marubeni Australia Ltd.'s business divisions and branches is responsible for considering any risks of modern slavery within their division or branch in the ordinary course of business. Each of the General Managers consults with the General Manager of the Business Administration Division, who is responsible for monitoring compliance and the preparation of this statement.

Policies and procedures

Our policies and procedures ensure we have strong frameworks to enable us to assess and address modern slavery risks. These policies include:

- Modern Slavery Policy for our business that establishes our commitment to addressing modern slavery risks in our business and driving an accountability for ethical business practices across our organisation.
- Supplier Code of Conduct that sets out the minimum expectations for our suppliers and third party labour providers related to ethical practices including addressing modern slavery risks in their business. We have also established an expectation with our suppliers that they will engage with their suppliers on similar terms. We wish to work in partnership with our suppliers to address risks of modern slavery that exist in our suppliers.
- Grievance Procedure that supports and encourages employees to raise concerns without fear that their future employment prospects will be adversely affected.
- Modern Slavery Questionnaire that forms part of our due diligence processes and audits the ethical business practices and modern slavery risks of our suppliers.

These policies and procedures complement our broader governance framework which is stipulated in the Compliance Manual of Marubeni Australia Ltd.

In the coming reporting period, we will also enhance our recording and monitoring processes of those suppliers who have committed to our Supplier Code of Conduct to ensure that we can review its effectiveness and continue to improve our approach.

Assessing our effectiveness

We are committed to reviewing the effectiveness of our actions by regularly reviewing our processes to address modern slavery risks. Senior management annually considers whether we are appropriately identifying and evaluating our modern slavery risks. When commencing a new operation or engaging a new supplier, we also assess whether our existing risk management processes remain appropriate.

We also monitor our performance against a number of key performance indicators. These include:

- the number of our suppliers who have committed to our Supplier Code of Conduct;
- the number of suppliers we have asked to complete the detailed questionnaire; and
- the number of suspected or identified modern slavery incidents.

Training

To maintain a high level of understanding and awareness of the risks of modern slavery in our operations and supply chains, we carried out modern slavery training to all our employees.

A key focus going forward will be the implementation of more targeted training for all our employees to refresh and enhance their understanding of modern slavery and Marubeni Australia Ltd.'s responsibilities for respecting human rights in FY2022.

Consultation and approval

Marubeni Australia Ltd. does not have any owned or controlled entities. Accordingly, no other entities have been consulted in the preparation of this statement.

Prior to being put to the Board of Marubeni Australia Ltd. for review and approval, this statement was reviewed by the General Manager of the Business Administration Division.

This statement was approved by the Board of Marubeni Australia Ltd. in their capacity as the principal governing body for Marubeni Australia Ltd. on 25 March 2022.

This statement is signed by Shinichi Kobayashi in his role as the Managing Director and Chairman of Marubeni Australia Ltd.



Shinichi Kobayashi
Managing Director and Chairman