

DIAMOND GAS RESOURCES PTY LTD MODERN SLAVERY AND HUMAN TRAFFICKING STATEMENT

This is the first Modern Slavery and Human Trafficking Statement (Statement) made pursuant to the [Modern Slavery Act 2018](#) (Cth) ('the Act') by Diamond Gas Resources Pty Ltd (ABN 58 007 440 664) ('DGR'). This Statement relates to the financial year 1 April 2019 to 31 March 2020 ('FY2020').

About DGR – Company Overview

DGR is a wholly owned Australian subsidiary of Mitsubishi Corporation ('MC'), incorporated in Japan. MC is a global integrated business enterprise that develops and operates businesses across virtually every industry, including natural gas, industrial materials, petroleum & chemicals, mineral resources, industrial infrastructure, automotive and mobility, food industry, consumer industry, power solution and urban development. MC's current activities have expanded beyond its traditional trading operations to include project development, production and manufacturing operations, working in collaboration with our trusted partners around the globe.

For more information on MC's business groups and their activities, please visit the following link: <https://www.mitsubishicorp.com/jp/en/bg/group.html>

DGR can be characterised as a reseller of crude oil, condensate and LNG. DGR buys crude oil/condensate and LNG from an Australian related party Japan Australia LNG (MIMI) Pty Ltd ('MIMI') for on-sale. That is, DGR performs a crude oil/condensate and LNG sales and marketing function.

MIMI holds an interest in the North West Shelf Project (NWS Project), which is a substantial offshore and onshore oil and gas project in Western Australia. MIMI is ultimately owned 50% by Mitsubishi Corporation and 50% by Mitsui and Co., Ltd.

During FY2020, DGR had no employees. Through the engagement of service providers, DGR performs all functions associated with the sale of crude oil, condensate and LNG purchased from MIMI. DGR also engages a number of related and third parties to perform other various services on its behalf.

Risk of exposure to modern slavery

As DGR can be characterised as a reseller of crude oil, condensate and LNG and engages a number of related and third parties to perform various services on its behalf, DGR considers the risk of modern slavery within its direct business operations with related parties to be low.

DGR has conducted a matrix risk assessment of its supply chain in FY2020, to identify potential areas where DGR could be exposed to modern slavery and human trafficking risks. Review of the DGR's supply chain confirms to have low potential to expose DGR to modern slavery and human trafficking risks.

Actions taken to assess and address modern slavery risk, including due diligence and remediation processes

In FY2020, DGR's modern slavery risk management actions to identify, assess, mitigate and monitor potential risk areas where DGR could be exposed to human rights concerns, including modern slavery and human trafficking included:

- The use of a modern slavery risk matrix developed in FY2020 to help identify and assess potential for modern slavery and human trafficking.
- The parent company MC's core philosophy the 'Three Corporate Principles' – Corporate Responsibility to Society; Integrity and Fairness; Global Understanding through Business – which has served DGR since the company's inception and DGR ensures to uphold MC's core philosophy.
- Uphold MC's commitment to respect human rights which extends to its supply chains. MC created the [Mitsubishi Corporation Policy for Sustainable Supply Chain Management](#) ("the Policy"), which DGR including all its suppliers are expected to understand, embrace and abide by.
- Other MC policies and corporate philosophy which DGR embraces and abides by are as follows:
 - [Social Charter](#) which states that MC "will fully respect human rights" and will also "fully respect fundamental labor rights and endeavour to ensure the provision of proper working environments with consideration for safety, health and other aspects".
 - [Basic Stance on Human Rights](#) affirms MC's commitment to various international standards.

- MC as a signatory of the [UN Global Compact](#) where Principle 4 of the Compact states that MC should strive for “the elimination of all forms of forced and compulsory labour”.
- Market opportunities and development in business relationships for DGR are screened through MC’s due diligence process in Tokyo. In this process key policies related to Modern Slavery are used to assess DGR’s proposals.
- DGR is subject to MC’s supplier assessments which are conducted regularly in order to confirm that its policies and guidelines are being upheld. MC’s supplier assessments include site visits and supplier surveys which efficiently monitor its supply chains in real time and take necessary corrective measures in a timely fashion.
- When a modern slavery or human trafficking violation is raised, DGR will contact MC to investigate and review the business relationship with the relevant supplier. As per the Policy “If a violation of the basic policies is confirmed, MC will demand that the relevant supplier implement corrective measures and will provide guidance and assistance to the supplier as necessary. If MC determines that the supplier is unlikely to implement corrective measures even after providing continuous guidance and assistance, MC will review its business relationship with the relevant supplier”.
Further details of the Policy are available at the following link:
<https://www.mitsubishicorp.com/jp/en/csr/management/supplychain.html>
- DGR directors regularly participate in MC’s training and awareness raising programs on MC Policies and guidelines including those related to respecting human rights through business and supply chains.

Assessing effectiveness of modern slavery risk management

DGR’s assessment of the effectiveness of modern slavery risk management is assessing its supply chain and other third-party relationships against the ability to detect and address modern slavery risk and also reduce possible exposure to modern slavery risk and human trafficking. DGR’s approach to modern slavery risk management is the use of modern slavery risk matrix developed in FY2020 on its business relationships together with continuing to embrace and abide by MC’s philosophy, policies and strong commitment to ensuring that its business activities do not cause or contribute to adverse human rights impacts, including modern slavery and human trafficking.

In FY2020, DGR's modern slavery risk management approach found:

- No instances of modern slavery or human trafficking were identified with DGR's own operations, or through engagement of related party and third parties to perform functions or services on its behalf.
- No modern slavery and/or human trafficking concerns raised with DGR.

As DGR's business environment evolves, we recognise that continual monitoring of the risks will be required. As such, we are committed to improving our risk management processes to ensure that we adapt appropriately and capture any risks as effectively as possible. This will include but not limited to continuously enhancing risk management processes to identify, assess, mitigate and monitor potential risk areas where DGR could be exposed to human rights concerns, including modern slavery and human trafficking.

Process of Consultation

Section 16(1)(f) of the Act does not apply to DGR.

Other relevant information


Impact of COVID-19:

As at 31 March 2020, we have noted that COVID-19 has had limited impact on DGR's supply chain. We do acknowledge that the COVID-19 pandemic may increase risks to modern slavery and human trafficking.

Approval by DGR's Board of Directors

I Kota Yamada, hereby certify that the information contained in the above FY2020 Modern Slavery Statement is factual, and that it was approved by DGR's Board of Directors.

23 December 2020



Director
Kota Yamada
Diamond Gas Resources Pty Ltd