
Tokyo Timor Sea Resources

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Statement on Modern Slavery 2021

Tokyo Timor Sea Resources Pty Ltd (TTSR) makes this Statement on Modern Slavery, for the year ended 31 December 2021 under the *Modern Slavery Act 2018* (Commonwealth). This statement sets out the steps taken to minimise the risk of modern slavery and human trafficking taking place in our business or supply chains. This Statement has been approved by TTSR's Board of Directors.

Introduction

TTSR recognises that modern slavery is a crime and morally reprehensible acts that deprive a person's liberty and dignity for another person's gain. It is a real problem for millions of people around the world, including both in developed and undeveloped countries, who are being kept and exploited in various forms of slavery. Every company faces challenges in how to minimise the risks to its business of being associated with suppliers in its supply chain that do not properly seek to mitigate modern slavery risks.

At TTSR, we are committed to taking steps to prevent slavery and human trafficking in our operations and supply chain, as outlined herein. This statement sets out the actions that we have taken to understand potential modern slavery risks related to our business, and to implement steps to prevent slavery and human trafficking during the financial year 2021.

TTSR, Its Business, and its Owners

TTSR is owned 100% by TTSR Inc., a US incorporated entity. TTSR Inc. in turn has two Japanese shareholders: JERA Co., Inc, which owns 66.7% (JERA) and Tokyo Gas Co., Ltd, which owns 33.3% (Tokyo Gas). TTSR is headquartered in Perth, Western Australia. TTSR is the investor and holder of a participating share of the Bayu-Undan oil and gas fields, which are located offshore in Timor-Leste waters between Australia and Timor-Leste (the Project).

JERA was established on 30 April 2015, by the consolidation of the fuel and thermal power departments of the Tokyo Electric Power Company (as it was then known) (TEPCO) and the Chubu Electric Power Company (Chubu). Its two shareholders are both listed on the first section of the Tokyo Stock Exchange. TEPCO headquartered in Tokyo, Japan. Chubu is headquartered in Nagoya, Japan

Tokyo Gas is a supplier of a city gas primarily in the Tokyo metropolitan region. It is listed on the first section of the Tokyo Stock Exchange and is headquartered in Tokyo, Japan.

TTSR has no entities that we own or control, and no joint statement will be submitted. TTSR will not be covered in any other entity's statement.

Structure, operations and supply chains

TTSR operates out of its head office in Perth. It has no direct employees. TTSR Inc.'s shareholders' wholly owned Australian subsidiaries, JERA Australia Pty Ltd (JERAA) and Tokyo Gas Australia Pty Ltd (TGA) provide the required workforce, each providing services through a service contract. JERAA and TGA also provide TTSR with office support services such as office space, desks, telecommunications equipment, computing services as well as cleaning and so on. IT support services and D&O insurance are essentially the only directly contracted services procured by TTSR.

The Project is operated by Australian affiliates of Santos Limited (Santos). Santos' 2019 Modern Slavery Statement may be found at <https://www.santos.com/news/modern-slavery-statement/>. TTSR has a 9.198% share in the Project. Details on the Project may be found at <https://www.santos.com/what-we-do/five-core-assets/northern-australia-and-timor-leste/>. The operation of the Project is reaching its final stage with production of oil and gas in the Project expected to end in 2022, after which works around the abandonment of wells will be the main activity. TTSR's current day to day activities are non-operationally based and are limited to participating in management meetings, monitoring production status of remaining wells and preparation for various abandonment works. The Operator of the Project is responsible for procurement activities and all operational matters. Operator has in place policies and procedures in relation to the mitigation of modern slavery risks.

As part of TTSR's monitoring activities, TTSR engages law firms, accounting firms, tax advisors and other professionals located in various locations. Given the limited nature and narrow focus of its commercial activities, TTSR considers the risks of modern slavery in its supply chain to be low.

Management of Ethics Programs and assessing and addressing risks

TTSR supports ethical business practices and policies that protect workers in the organisations and supply chains that we have contact with. In 2021, TTSR had in place certain safeguards, including:

- appropriate policies that identify the standards, which TTSR service providers are to follow, including obeying laws. Personnel assigned to TTSR have been provided training on compliance and are required to acknowledge their adherence to the policies and procedures annually.
- Both JERAA and TGA, the entities providing services to TTSR, have the equivalent of "Codes of Business Conduct" (the Codes) in place that the respective employees must follow. These Codes, both respectively contain policies and procedures in relation to upholding the laws, and specific obligations on conduct employees must follow. TTSR is required by its constituent documents to adopt an ethics and business conduct compliance program in line with the Codes. Personnel providing services to TTSR (under the respective services agreements) are required to meet both the requirements of the policies of their employer and the policies of TTSR.
- Both JERAA and TGA conducted Modern Slavery training for its staff, including those who provide services to TTSR. TTSR staff are members of cross functional modern slavery working group to assess modern slavery risks and mitigation and outline and conduct education of all staff and management.

- Each of TTSR's shareholders and JERAA and TGA (the entities providing services) has a hotline that allows for the anonymous reporting of actions not in accordance with the Codes, or suspected not to be in accordance with the Codes, under the respective whistleblowing policy. The hotlines are operated by outside agencies and are accessible to each of the service providers, to register concerns. In each case, any complaints or issues will be brought to the attention of corporate management.

2021 Actions

In 2021 TTSR performed a risk assessment in relation to the Project and supply chains. As TTSR is a non-operating joint venture partner, there is no direct contact with suppliers, and enquiries are with the Operator.

Risk mitigation

Shareholders, directors and leadership of TTSR have received Modern Slavery information. Awareness training was completed for service providers that perform the company's operations. TTSR also reviewed the Project Operator's actions, especially in relation to managing any impacts of COVID19 in the operations offshore. TTSR also assessed Modern Slavery risks and sought to incorporate best practise in its (albeit limited) services procurement procedures and supply chain.

Review and assessing effectiveness

TTSR reports the status of its ethics program and any breaches at quarterly meetings of its Board of Directors. To the extent that any noncompliance is identified, TTSR will investigate the breach and provide a report to its Board, together with the corrective actions that it proposes with respect to any breach. TTSR modern slavery working group also assessed effectiveness Modern Slavery actions, and considered those considering the low risks, and made reports to management.

The Board of Directors of Tokyo Timor Sea Resources Australia Pty Ltd has approved this Statement on June 2022.

Signed for and on behalf of the Company



Hideki Yukimura
Managing Director
Tokyo Timor Sea Resources Pty Ltd