



## MITSUI & CO. (AUSTRALIA) LTD.

### MODERN SLAVERY STATEMENT 2022

#### 1. Introduction – s 16(1)(a) of the Act

This Modern Slavery Statement describes the steps taken by Mitsui & Co. (Australia) Ltd. ACN 004 349 795 (**Mitsui Australia**) during its financial year ending 31 March 2022 to address modern slavery risks in its operations and supply chains in accordance with the *Modern Slavery Act 2018* (Cth) (**Act**).

Mitsui Australia is a reporting entity under the Act.

#### 2. Our organisation – s 16(1)(b) of the Act

- **Corporate structure**

Mitsui Tokyo - Mitsui Australia is wholly owned by Mitsui & Co., Ltd. (**Mitsui Tokyo**) which is a global conglomerate with multiple businesses operating across different industries under the one corporate group. With approximately 44,500 employees and 514 affiliated companies, Mitsui Tokyo operates business through 132 offices in 64 countries around the world.

Mitsui Australia - Mitsui Australia has approximately 85 employees in Melbourne, Sydney, Brisbane and Perth operating multiple businesses such as:

- import and export trading business for steel, metal, chemical and food products;
- development of and investment in key infrastructure for sectors including energy and energy solutions, logistics, water, mobility, digital technology, mining construction equipment;
- agency, marketing and administrative services for Mitsui group and related companies which trade energy products including coal, oil, gas, hydrogen and biofuel to support supply chains from production to delivery; and
- controls the following entities:
  - Mitsui & Co Financial Services (Australia) Ltd ACN 002 884 737 which provides a treasury function to Mitsui group companies in Oceania; and
  - MIT Power Australia Pty Ltd ACN 165 096 346 which is a special purpose entity that was not actively engaged in business during the reporting period for this statement.

These entities are special purpose companies with no dedicated employees and all consultation in respect of companies was carried out by and among employees of Mitsui Australia.



- **Operations and Supply Chain:**

- Chemical Division - Mitsui Australia imports and supplies essential commodities such as chloroprene rubber from Japan, acetone from Singapore, sodium carbonate from Turkey, belt conveyor from China, to large Australian and international chemical and other companies.
- Food Division - Mitsui Australia exports agricultural produce from Australia to countries across Asia, such as meat, dairy products (cheese and milk powders) and juice concentrates.
- Steel Division - Mitsui Australia supplies steel products to manufacturers and for infrastructure projects and major resources projects across Australia, such as electrical steel, coated steel, steel plate, steel pipes, stainless steel, cold-rolled coils and rail from Japan, Korea, China and India.
- Mineral & Metal Resources Division – Mitsui Australia trades and export scrap metals from Australia and provides agency business for other non-ferrous materials including lithium, cobalt and copper. We also have investments in several iron ore and metallurgical coal mines with operating partners including Rio Tinto, BHP and Anglo American.
- Infrastructure & Energy Division - Mitsui has a range of investments in Australia's power industry including an equity stake in a joint venture company with Engie that owns and operates renewable and gas-fired power generation units as well as a retail business, Simply Energy. We also constantly seek new opportunities to develop infrastructure projects in the rail transportation and water utilities sectors, and to support oil, gas and other natural resource projects.
- Mobility Business Division – Mitsui Australia's key mobility sector investments include Komatsu Australia, Position Partners and Penske Australia and New Zealand.

For more information on our organisation, please refer to our websites below:

Corporate Profile: [About Us | Corporate Profile - Mitsui & Co. \(Australia\) Ltd.](#)

- **Community**

- 'Fair Trade Workplace'

Since 2014, Mitsui Australia has been recognised as a Fair Trade Workplace by *Fair Trade Association of Australia and New Zealand (FTA)* having the '10 Principles of Fair Trade' which include fair payment, no child labour, no forced labour, good working conditions for workers who produce the goods.

This is due to our support for FTA's initiative through purchasing Fair Trade certified items consumed by our staff members in the office (such as tea, sugar, coffee) and raising awareness through internal educational activities and publications.

We will continue to challenge the conventional trade by placing fairness in prices and wages, improved market access, and poverty alleviation at the core of international trade practices.

- Mitsui Educational Foundation ABN 80 844 750 637

Mitsui Australia is a settlor of, and appoints two trustees to, Mitsui Educational Foundation ABN 80 844 750 637 which provides opportunities to Australian university students to learn about various aspects of Japan and bi-lateral relations via annual study tours.

In contributing to the sustainability of the Australian community, Mitsui Australia actively promotes social contributions in collaboration with our group companies.

For more information on our organisation, please refer to our website below:

Sustainability at Mitsui: [Sustainability - Mitsui & Co. \(Australia\) Ltd.](#)

We understand that we need to lead by example in the way we do business. We operate by a set of values which shapes the way we think, work and act to ensure we are helping people to achieve their ambitions – in the right way.

This also means we aim to act fairly, ethically and openly in everything we do. We are committed to combating the risk of modern slavery in our supply chains or in any part of our business.

### **3. Assessing risk – s 16(1)(c) of the Act**

#### Assessment

Mitsui Australia has a unique business portfolio and organisational structure. Our supply base is diverse, including small and medium-sized businesses, as well as multinational corporations. Many of our direct suppliers have their own extensive supply chains, connecting us with businesses worldwide. We have a robust process that aims to ensure we only work with appropriate suppliers who can meet the standards that we expect.

#### Human Rights Risk Mapping

Mitsui Tokyo has assessed our global supply chains in 2020 by assessing 3,128 transactions conducted by the head office and 7,820 transactions conducted by its overseas office (which includes Mitsui Australia) from the human rights perspective broadly including modern slavery risks using human rights risk mapping, together with advice from and consultation with independent experts.

The assessment was based on leading international human rights risk indicators and other tools such as the “[List of Goods Produced by Child Labor or Forced Labor](#)” of Bureau of International Labor Affairs (ILAB) and “[Global Map of Environmental and Social Risks in Agro-Commodity Production](#)” of International Finance Corporation (IFC), placing emphasis on the core labour standards identified by the International Labour Organization (ILO).

Through the risk mapping assessment, Mitsui Tokyo assess inherent country risks and industry risks and identified 84 high risk combinations - ie a list of source country-procured goods combinations - such as garments manufactured in Bangladesh, rice produced in Myanmar, and coffee produced in Colombia, sesame in Myanmar and coconuts in Philippines.

Through this process, none of the existing suppliers of Mitsui Australia have been identified in the high-risk combinations, except rubber products made in China from a supplier in Singapore. Mitsui Australia are satisfied, however, based on a preliminary analysis and its longstanding and reliable track record with Mitsui Australia, that the supplier has human rights policy and trainings in its global operations, taking labour practices and occupational health and safety as a priority.

Mitsui Australia also engages suppliers of banking and professional services (such as major banks, legal, accounting and engineering firms). Mitsui Australia is satisfied from the results of supplier questionnaires that these service providers have responsible supply chain policies and anti-modern slavery statements, and in relation to the services provided to Mitsui Australia, are unlikely to have high-risk combinations in those supply chains.

#### **4. Managing risk - s 16(1)(d) of the Act**

##### Policies and monitoring framework

First of all, Mitsui Australia maintains its Business Conduct Guidelines, which oblige the company and its people to conduct our business in a manner that respects human rights and does not involve any modern slavery practices. The Guidelines also prohibit discrimination on the basis of any protected attribute under the law. The Guidelines are Mitsui Australia's principal code of conduct for our employees and contractors, who are required to understand and adhere to the Guidelines throughout their employment or engagement.

We also have a Whistleblower Policy in place with the reporting route available for both internal and external reports in case of any complaint or concern regarding our modern slavery obligations.

##### Actions taken

For the reporting period ending 31 March 2022:

- Amendment to Standard Supply Contract – we strengthened the compliance provisions of our standard procurement contract with suppliers, introducing:

- supplier warranties as to compliance with anti-slavery laws and investigations, appropriate levels of due diligence and remediation, and the presence of applicable policies, procedures and systems;
  - an obligation to include similar warranties in contracts with its suppliers; and
  - an obligation to comply with our Sustainable Procurement Policy (see below).
- [Sustainable Procurement Policy](#) - we have implemented and published this policy in June 2020 on our website accessible to the public and shared with 69 existing suppliers. The policy sets out our expectations for our suppliers (and sub-suppliers) to prevent and eliminate modern slavery, as well as our intentions to audit, monitor, and terminate business in case of continued non-compliance.
  - Survey Questionnaire - Mitsui Australia, in consultation with Mitsui Tokyo, prepared and sent a modern slavery (and sustainability) survey questionnaire to 50 selected suppliers to assess their compliance and understanding of the regime, such as whether they have relevant policies, written contracts, training and whistleblower system. The suppliers were selected on the basis of contract value and whether they provide ongoing goods or services to Mitsui Australia. There were 31 respondents, primarily service providers, of which there were no suppliers who reported any instances of modern slavery within their supply chains.
  - Business Conduct Guidelines (e-learning) – our e-learning Mitsui Business Conduct Guidelines course include a module dedicated to modern slavery where we can learn modern slavery risks in the context of our trading and investment business model. This e-learning course is compulsory for all of our employees.
  - Training – Mitsui Tokyo facilitated a webinar on sustainable supply chain management to which all Mitsui Australia staff were invited. Suppliers and business partners were also encouraged to attend. The webinar followed on from another session on business and human rights which was streamed during November 2021 and mandatory for all Mitsui Australia staff.

## 5. Assessing effectiveness and looking ahead - s 16(1)(e) of the Act

We are assessing the effectiveness of our actions by:

- monitoring the response rate of our survey questionnaire and undertaking periodic reviews of the questionnaire to improve its usefulness; and
- working together with Mitsui Tokyo to benefit from their reflections on their own human rights due diligence efforts.

In the financial year ending March 2023, we intend to:



- roll out our survey questionnaire for all new suppliers meeting certain criteria;
- analyse the survey responses and engage our internal key divisions (e.g., business divisions, human resources, legal and sustainability) to discuss what appropriate actions can be taken; and
- promote awareness of modern slavery risks amongst business divisions, through training and greater participation in the administration of survey questionnaires.

We recognise that the risks of modern slavery are complex and evolving. We will continue to work to address these risks in our business and engage with a range of stakeholders to assess the effectiveness of our actions and enhance our approach.

## **6. Consultation in preparing this statement s 16(1)(f) of the Act**

Mitsui Australia controls the following entities:

- Mitsui & Co Financial Services (Australia) Ltd ACN 002 884 737 which provides a treasury function to Mitsui group companies in Oceania; and
- MIT Power Australia Pty Ltd ACN 165 096 346 which is a special purpose entity that was not actively engaged in business during the reporting period for this statement.

As these entities are special purpose companies with no dedicated employees, suppliers or an independent office, all consultation in respect of companies was carried out by and among employees of Mitsui Australia. Due to the limited business scope of these entities, the level of consultation required was accordingly limited.

I, Masato Sugahara, hereby certify that this Modern Slavery Statement 2022 has been approved by the Board of Directors of Mitsui & Co (Australia) Ltd on 21 September 2022.

*Masato Sugahara*

**MASATO SUGAHARA**

Chair & Chief Executive Officer

Date:

2022年9月21日