

FY2020 Slavery and Human Trafficking Statement

1. Objective of this Statement

This Statement is intended to announce the steps taken by Marubeni Corporation (“Marubeni”) during FY2020 for the purpose of ensuring that slavery and human trafficking is not taking place in any part of its own business and its supply chains pursuant to Section 54 of the UK Modern Slavery Act.

2. Marubeni’s businesses and supply chains

Marubeni conducts 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 projects, 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 133 locations in 68 countries and regions.

In addition, as Marubeni is engaged in a wide range of businesses worldwide, its supply chains span a number of countries and regions. Marubeni considers supply chain management to be a vital issue for the continuation of sound business, and strives to prevent modern slavery—e.g. forced labour, child labour, human trafficking and exploitation—from arising.

3. Marubeni’s policies in relation to human rights

Marubeni recognizes that respecting the human rights of persons affected by our business activities and endeavoring to take responsibility for doing so are of utmost importance, and to this end we have formulated the “Marubeni Group Basic Policy on Human Rights”, based on the UN’s Guiding Principles on Business and Human Rights. These human rights include all basic forms of human rights such as those described by constitutions, labour standard

laws, the UN's International Bill of Human Rights (Universal Declaration of Human Rights and International Covenant on Human Rights), the ILO's Declaration on Fundamental Principles and Rights at Work and the UN's Guiding Principles on Business and Human Rights.

The "Marubeni Group Basic Policy on Human Rights" can be viewed at the following link:

https://www.marubeni.com/en/sustainability/social/human_rights/

The Sustainable Development Goals (SDGs) adopted by the United Nations in September 2015 are goals for achieving sustainability and leaving the world a better place for future generations, shared by governments, the private sector and civil society. In recognition of this, Marubeni has identified four categories of Environmental and Social Materiality including respect for human rights in which it can truly make a valuable contribution.

The Environmental and Social Materiality can be viewed at the following link:

<https://www.marubeni.com/en/sustainability/group/materiality/>

In its Compliance Manual, which prescribes the code of conduct that officers and employees of the Marubeni Group must abide by, Marubeni sets forth the following as matters to be observed: "To respect human rights and refrain from any form of discrimination, harassment and the like". Marubeni revises and updates its Compliance Manual on an annual basis. For the latest version, please access the link below:

https://www.marubeni.com/en/company/governance/measure/compliance/manual/pdf/compliance_manual_2020_en.pdf

Marubeni places importance on working with its business partners in relation to supply chain management and has formulated the Basic Supply Chain Sustainability Policy (hereinafter referred to as "Basic Policy"). The Basic Policy explicitly prohibits acts that infringe human rights, as follows: "Respect human rights without discrimination, harassment of any kind, abuse or other inhumane treatment", "No child labour or forced labour", "Proper management of employees' work hours, breaks and holidays and prohibition of excessive overtime work", "Payment of the legally mandated minimum wage and endeavoring to pay at least a living wage. No inappropriate wage abatement", "Respect for employees' right to unionize for the purpose of labor-management negotiations and right to collective bargaining" and "Ensure safe and healthy workplaces and maintain a good working environment".

Marubeni has set out measures and procedures in relation to business partners that are found to be noncompliant with the Basic Policy with regard to respect for human rights. These

stipulate that such business partners will be required to report the facts and the measures taken to improve the situation, and as necessary, will be subject to on-site inspections and requested to make improvements.

The Basic Policy can be viewed at the following link:

https://www.marubeni.com/en/sustainability/social/supply_chain/

Marubeni has declared its support for [the UN Global Compact \(UNGC\)](#), an international initiative advocated by the United Nations which specifies ten principles to be observed by companies in four fields, namely, human rights, labour, environment and anti-corruption. Marubeni is working to realize the ideals of the UNGC by supporting the ten principles.

Participation in the UN Global Compact can be viewed at the following link:

<https://www.marubeni.com/en/sustainability/group/initiative/>

4. Initiatives to prevent modern slavery and human trafficking from arising

(1) Making the basic policies related to the respect of human rights known to suppliers

Marubeni has set out and published the “Marubeni Group Basic Policy on Human Rights” and the Basic Policy as mentioned in the above section “Marubeni’s policies in relation to human rights”.

In addition to this, with the aim of trying to prevent modern slavery from arising, Marubeni informs its long-term business partners of the “Marubeni Group Basic Policy on Human Rights” and the Basic Policy in various ways and seeks their understanding and cooperation with respect to the Basic Policy. As part of such efforts, Marubeni Corporation sent those basic policies to its 2,590 direct suppliers in FY2020.

(2) Expanding our human rights due diligence

Marubeni conducted a questionnaire-based survey in FY2010 and has made on-site inspections from FY2011 in order to confirm its business partners’ status of compliance with the Basic Policy, including human rights and work environment.

When conducting on-site inspections, Marubeni focuses on business partners located in countries with a high risk of human rights violations or operating in sectors generally considered to present a high risk in terms of labour conditions, such as apparel products and agricultural produce. Then, Marubeni employees visit the manufacturing/production sites of

the selected business partners in person and investigate the status of their initiatives in regard to the Basic Policy overall, such as occupational health and safety, environmental protection, fair trading practices, quality control and disclosure of information, in addition to matters concerning respect for human rights, including child labour, forced labour, discrimination, labour conditions and wages. The inspections are conducted based on the information received from an external consultant who provides advice on inspection procedures, etc. from the standpoint of an independent expert. When necessary, Marubeni requests that an external consultant be present during an inspection.

The results of some previous on-site inspections can be viewed at the following link:

<https://www.marubeni.com/en/sustainability/social/survey/>

We recognised changes in risk profile in the supply chain due to the effects of COVID-19. Taking such changes into account, while we have temporarily suspended on-site inspections during FY2020, we have made further efforts to maintain the effectiveness of our risk management by enhancing our desk-top research, for example.

Further, in addition to the above, for a number of specific goods, we conducted a questionnaire survey of a total of 25 forest products suppliers based on our Product Procurement Policy (Forest-derived Products), comprising 14 companies identified in FY2019 and 11 companies newly added in FY2020.

In addition to suppliers, we have also implemented surveys of Marubeni Group companies which may be considered as the starting point of supply chains. A total of 5 on-site surveys and questionnaire surveys of approximately 200 companies had been carried out by the end of FY2020, following on from those conducted in FY2019. After analysing the results, feedback was provided to each company. As a result of the document and on-site investigations, we did not identify problems that require immediate action.

(3) Establishing and starting the operation of a grievance mechanism

Furthermore, during FY2020 Marubeni established its “Practical Procedures to Process Complaints related to Human Rights” which is a mechanism enabling us, if and when it is confirmed that we have caused, or contributed to, any adverse effect against human rights, to consider our initiatives or actions for seeking remedy and redress. We started the operation of this mechanism from FY2021.

5. In-house training and education

Marubeni has formulated the “Marubeni Group Basic Policy on Human Rights”, based on the UN’s Guiding Principles on Business and Human Rights. By doing so, Marubeni has clarified its stance on endeavoring to comply with the said Principles, which clearly state companies’ responsibilities for respecting human rights, and is making this widely known among officers and employees of the Marubeni Group.

Marubeni conducted a training course and other activities for new employees to deepen their understanding of Marubeni’s approach to human rights and its policies for human rights initiatives, including the prevention of modern slavery.

6. To realise a better society

Marubeni believes that the promotion of respect for human rights is an important task in sustainability. Going forward, in consideration of the impact of COVID-19 in FY2021 as in the previous fiscal year, Marubeni will continue to take action to prevent modern slavery from arising, and enhance the standard of its initiatives step by step while gaining its business partners’ understanding and cooperation, with the aim of resolving social issues that are relevant to the Marubeni Group’s businesses.

7. Approval of the Board of Directors

I, Takayuki Furuya, hereby certify that the content of the “FY2020 Slavery and Human Trafficking Statement” is true and has been approved by Marubeni’s Board of Directors.

August 25, 2021



Takayuki Furuya
Managing Executive Officer, Member of the Board
Marubeni Corporation