FY2017 Slavery and Human Trafficking Statement

1. About the Statement

Mitsubishi Corporation International (Europe) Plc. ("MCIE") is a wholly owned subsidiary of Mitsubishi Corporation, a global integrated business enterprise which develops and operates businesses across virtually every industry.

As a company doing business in the United Kingdom ("UK"), MCIE has produced this FY2017 Slavery and Human Trafficking Statement (the "Statement") in line with the requirements of Section 54 of the UK Government’s Modern Slavery Act 2015 (the "Act"). The Statement is intended to communicate the steps that we have taken during the previous fiscal year (FY2017) to ensure that slavery and human trafficking are not occurring in any part of our business operations or supply chains.

The definitions of “slavery” and “human trafficking” are laid out in Section 1 and 2 of the Act. However, in recognition that these issues can manifest themselves in many ways depending on local circumstances, the Statement covers MCIE’s efforts to prevent any form of worker exploitation through its business, ensuring that workers are safe and that all relevant laws and international standards are being upheld, including freedom of movement and communications.

The Statement has been approved by MCIE’s Board of Directors and has been signed by Isao Kano, Chairman and Managing Director of MCIE. The Statement is publicly available on MCIE’s website: http://www.mitsubishicorp.com/gb/en/

2. About MCIE

MCIE is a wholly owned subsidiary of Mitsubishi Corporation, a global integrated business enterprise that develops and operates business across virtually every industry including environmental and infrastructure business, industrial finance, energy, metals, machinery, chemicals, and living-essentials. Our key business strategy involves leveraging our knowledge of industries and markets around the world to create new, sustainable businesses. We transform opportunities into businesses by providing services to various industries at different stages of the product or project cycle. We add value through our ability to finance and invest in the development of companies and projects, as well as through our expertise in developing the upstream and downstream activities needed for businesses to succeed. For more information on MCIE’s history, products and business strategy, please visit the following link: http://www.mitsubishicorp.com/gb/en/about/.
3. **MCIE’s Philosophies and Principles**

At MCIE, we conduct our business in line with the philosophy and principles of Mitsubishi Corporation.

The Three Corporate Principles – Corporate Responsibility to Society; Integrity and Fairness; Global Understanding through Business – established in the company’s history, serve as Mitsubishi Corporation’s core philosophy.

Building upon these Principles, the Corporate Standards of Conduct lay down a set of key, high-level commitments which form the basis of the company’s compliance and risk management systems.

Furthermore, the Code of Conduct provides a set of rules based on both national and international standards to ensure that Mitsubishi Corporation’s employees are upholding the highest level of ethical conduct in their day-to-day business.

4. **MCIE’s Commitments in Relation to Slavery and Human Trafficking**

At MCIE, we are committed to respecting human rights and strive to ensure that our business activities do not cause or contribute to adverse human rights impacts, including slavery and human trafficking. This commitment is expressed through a variety of policies set by Mitsubishi Corporation.

- The **Social Charter** states that Mitsubishi Corporation “will fully respect human rights” and “will also fully respect fundamental labor rights and endeavor to ensure the provision of safe and healthy working environments.”
- The **Basic Stance on Human Rights** affirms the company’s commitment to various international standards including the Universal Declaration of Human Rights, the ILO International Labor Standards and the Voluntary Principles on Security and Human Rights.
- Mitsubishi Corporation is also a signatory of the **UN Global Compact**, declaring the company’s commitment to the 10 universal principles in the fields of human rights, labor, environment and anti-corruption. Principle 4 of the Compact states that the company should strive for “the elimination of all forms of forced and compulsory labor.”
- Mitsubishi Corporation has identified **7 Key Sustainability Issues (Materiality)** for the company’s sustainable growth as mileposts to help it realise the simultaneous generation of economic value, societal value and environmental value. Through “Procuring and Supplying in a Sustainable Manner” as one of the Key Sustainability Issues, Mitsubishi
Corporation will continue to implement a sustainable approach to procurement and supply operations while taking into account social and environmental factors not only in the company’s own business but also through the supply chain.

- The Mitsubishi Corporation Policy for Sustainable Supply Chain Management aims to help achieve the above. Article (1) of the Policy states that “suppliers shall employ all employees of their own free will with no employee being subject to forced or bonded labor.” The Policy goes on to address further issues such as child labor, freedom of association and suitable remuneration. In FY2017, Mitsubishi Corporation revised the Policy to clarify and reinforce its position on issues such as the right of employees to engage in collective bargaining, prohibition of excessive overtime, and environmental management.

5. MCIE’s Activities in FY2017 related to Prevention of Slavery and Human Trafficking

A) Supply Chain Management

MCIE strives to ensure that it does not cause or contribute towards adverse human rights impacts through its supply chains. Two years ago, we launched a Modern Slavery Risk Assessment with the support of consultancy firm twentyfifty Ltd. The purpose of the assessment was to map out MCIE’s supply chains, identify potentially vulnerable workforces, and to identify high risk areas to focus on. The process involved extensive consultations with business groups and corporate departments as well as management at various levels. Through this process, we identified a number of potentially high risk operations. Each business group and corporate department received tailored reports highlighting priority workforces as well as recommendations on improvement measures.

Following the initial assessment, in FY2017 we began working on implementing some of the recommendations. We started by looking at the potentially vulnerable workforces within our own teams and contractors where we have the greatest leverage. Together with twentyfifty and our human resources team, we reviewed our approach to recruiting temporary and contract workers and drafted a set of expectations for recruitment agencies to conduct due diligence prior to hiring workers on our behalf. These agencies will soon be expected to sign a declaration to confirm that they meet these expectations. We also focused on some of the other workforces that we contract through third parties such as cleaning, catering and property maintenance teams, and updated our supply chain management policy, supplier survey and contract template to ensure that appropriate standards are being met within these areas. We continue to work on implementing the rest of the recommendations.

At the wider international level, MCIE also continues to engage in Mitsubishi Corporation’s
global supply chain management process which can include suppliers related to MCIE’s businesses. The company conducts regular assessments of suppliers in industries where human rights risks including slavery and human trafficking are considered to be particularly salient, such as agricultural produce and apparel. At MCIE we support these efforts by helping to identify salient issues and by reviewing the assessment results. The details of Mitsubishi Corporation’s Supply Chain Management are available at the following link: http://www.mitsubishicorp.com/jp/en/csr/management/supplychain.html

B) Loan and Investment Proposal Screening

In order to ensure that the direct business operations and relationships that Mitsubishi Corporation enters into do not cause or contribute to adverse human rights impacts, all loan and investment proposals are vetted through an internal screening process which considers not only financial and legal risks but also environmental, social and governance (ESG) factors including human rights. Mitsubishi Corporation’s ESG screening takes into account various standards which emphasize the importance of human rights, such as the International Finance Corporation (IFC) guidelines and the Guidelines for Confirmation of Environmental and Social Considerations published by the Japan Bank for International Cooperation (JBIC).

Many of these loans and investments relate to MCIE’s businesses, and MCIE therefore supports the process by providing local insight and by conducting research to ensure that the proposals do not cause or contribute to adverse human rights impacts. Further details on the screening process are available at the following link: http://www.mitsubishicorp.com/jp/en/csr/management/

In FY2017, MCIE initiated a deeper analysis into one of our energy-related investments in Europe. Following extensive research and consultations with internal and external stakeholders, we developed a guidance document to support our operational team to incorporate modern slavery risks into their tender evaluation process. The guidance helps to gather information relating to third party practices on recruitment, contracts, wages, hours, living arrangements and grievance mechanisms, and to incorporate this information into the decision-making process.

Building on learnings taken from this project, we then developed an MCIE company-wide guidance and toolkit on conducting human rights due diligence on new third parties (including investments). A basic risk assessment tool is provided to support business groups to understand whether risks such as modern slavery are likely to be associated with the third party in question. The guidance document then suggests questions and evidence to request
from the third party, and finally an evaluation tool to support business groups to interpret the responses they gather.

C) Training and Awareness Raising
At MCIE, we have been providing human rights and modern slavery training to our employees for several years. In FY2017, we continued to provide training to various employee groups at the board level, management level and operational level, in order to refresh and further refine their knowledge. In addition to regular training, a separate session was held to train employees on how to use the recently launched guidance on conducting modern slavery due diligence on third parties. We will work in FY2018 to provide further training for business groups on implementing this guidance.

6. Looking Ahead
MCIE recognises the importance of maintaining constant vigilance to identify, prevent and mitigate adverse impacts associated with human rights, including slavery and human trafficking, throughout our business operations and supply chains.

Going forward, we will continue to strengthen our modern slavery strategy by setting clear goals for the company. Alongside this, we will continue to work on building the capacity of each business group to conduct their own modern slavery due diligence. Progress will be reported on in MCIE’s statement for FY2018.

Throughout the coming year, MCIE will continue to work closely with Mitsubishi Corporation to ensure that our respective commitments and activities remain closely aligned.

7. Approval by MCIE’s Board of Directors
I, Isao Kano, hereby certify that the information contained in the above FY2017 Slavery and Human Trafficking Statement is factual and has been approved by the Board of Directors of Mitsubishi Corporation International (Europe) Plc.

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Isao Kano
Chairman & Managing Director
Mitsubishi Corporation International (Europe) Plc

1st August 2018
Date