FY2018 Slavery and Human Trafficking Statement

1. Introduction

This is the fourth Slavery and Human Trafficking Statement produced by Mitsubishi Corporation International (Europe) Plc (‘MCIE’), published in accordance with Section 54 of the UK Modern Slavery Act 2015 (‘MSA’). The Statement sets out the steps we have taken to mitigate risks of modern slavery in our operations and supply chains during the year ended 31st March 2018.

2. Company overview

MCIE is a wholly owned subsidiary of Mitsubishi Corporation (‘MC’), a global integrated business enterprise that develops and operates businesses across virtually every industry, including natural gas, petroleum & chemicals, mineral resources, industrial infrastructure, automotive & mobility, food & consumer goods, power solutions and urban development. MC’s current activities have expanded beyond its traditional trading operations to include project development, production and manufacturing.

MCIE at the date hereof has a workforce of 154 employees. We work with approximately 450 direct suppliers and have six fully owned subsidiaries in Germany, Italy, France, Spain, Greece and the Netherlands.

3. Relevant policies and commitments

MCIE is committed to respecting human rights and strives to ensure that our business activities do not cause or contribute to adverse human rights impacts, including modern slavery. This commitment is expressed through a variety of policies set by our parent company MC. The following policies are available to all employees through our MCIE intranet and are communicated through various training sessions throughout the year.

The ‘Three Corporate Principles’ – Corporate Responsibility to Society; Integrity and Fairness; Global Understanding through Business – have served as MC’s core philosophy since the company’s inception. Building on these Principles, the ‘Corporate Standards of Conduct’ outline a set of high-level commitments which form the basis of our compliance and risk management systems, while our ‘Code of Conduct’ provides a set of rules based on national and international standards to ensure that our employees uphold the highest level of
ethical conduct in their day-to-day business.

We also have a number of policies related specifically to people. Our ‘Social Charter’, which outlines our overarching commitments, states that we will “fully respect human rights” and “fully respect fundamental labour rights and endeavor to ensure the provision of proper working environments with consideration of safety, health and other aspects.” Our ‘Basic Stance on Human Rights’ elaborates on this further by endorsing various international standards such as the Universal Declaration of Human Rights, the United Nations Guiding Principles on Business and Human Rights, the core labour standards of the International Labour Organisation, the Voluntary Principles on Security and Human Rights, and the United Nations Global Compact.

Finally, we share our commitments with key third-party partners to ensure that the goods and services we benefit from do not cause or contribute to modern slavery. The ‘Mitsubishi Corporation Policy for Sustainable Supply Chain Management’ requires suppliers to “employ all employees of their own free will with no employee being subject to forced or bonded labour”, and addresses other issues pertaining to child labor, freedom of association and collective bargaining, suitable remuneration, prohibition of excessive overtime, and environmental management. We have also introduced a ‘Modern Slavery and Human Trafficking Memo’ for recruitment agencies contracted by MCIE. The Memo requires agencies to confirm that they do not charge recruitment fees to prospective employees.

4. Risk assessment

MCIE operates across a range of different industries and our risks reflect this diversity. Through our company-wide Modern Slavery Risk Assessment launched two years ago (with support from consultancy firm twentyfifty ltd) we mapped out our value chains across all Business Groups, identified potentially vulnerable workforces, and prioritised high risk areas by assessing MCIE’s relationship to each of the workforces in question. While the risks differ for each Business Group, we identified a number of high risk areas within our value chains - such as raw material extraction, transportation, storage and project maintenance – as being cross-cutting across the industries. We also identified cleaning, catering and recruitment services provided to MCIE’s head office as being risk areas to explore further.

As our business evolves we recognise that the nature of the risks will also change. As such, we are committed to improving our processes to ensure that we adapt appropriately and capture any risks as effectively as possible.
5. Due diligence

One of MCIE’s key roles is to identify new market opportunities and develop business relationships in the region on behalf of MC. As such, the investment proposals which we feed into are often screened through MC’s due diligence process in Tokyo. To complement this process, we developed our own modern slavery guidance toolkit to ensure that potential third-party partners are assessed against a range of criteria related to labour rights prior to MC’s decision-making. In FY2018 we trained our Business Groups on how to use the toolkit through modern slavery refresher sessions.

We also aim to mitigate risks within our office-based operations where we have the greatest leverage. On recruitment, we ask our recruitment agencies to confirm that they do not charge fees to prospective employees by signing our ‘Modern Slavery and Human Trafficking Memo’. In FY2018 we received signed declarations from our most frequently used agencies, and we are aiming for this to become a mandatory requirement for our end-to-end recruitment process. Furthermore, to avoid fraudulent salary payments we amended our employment terms and conditions to stipulate that an employee’s salary must be paid into a UK bank account in their own name.

We also contract other third-parties such as cleaning, catering and property maintenance agencies. Through annual reviews and regular communication throughout the year we verify that labour standards are being upheld for our contractors’ employees working on our office premises.

6. Awareness-raising and training

At MCIE, we have been providing modern slavery and broader human rights training to our employees for several years. In FY2018 we continued to train various employee groups at the board, management and operational levels to refresh and further refine their knowledge. Training operational level employees is particularly important as they are most directly involved in identifying new business opportunities and managing relationships with third-parties. We use our modern slavery guidance toolkit to help steer these sessions.

Beyond these targeted groups, we aim to raise general awareness across the company by inviting external speakers to present at ‘lunch and learn’ sessions for all employees interested in learning about the topic. We also updated our employee handbook in FY2018 to include information on modern slavery, and similarly added information to our Corporate Induction programme for new joiners.
7. Looking ahead

MCIE’s long term objective is to prevent incidents of modern slavery from occurring in our operations and supply chains and cultivate a healthy working environment where people can thrive. Over the coming year, we will continue to prioritise our Business Groups and build up their capacity to conduct modern slavery due diligence. We also plan to extend our capacity-building to some of MC’s UK-based subsidiaries, starting with those in the energy and automotive industries. Throughout the year we will continue to work closely with MC to ensure that our commitments and activities remain closely aligned. We will report on our progress in MCIE’s statement for FY2019.

8. Approval by MCIE’s Board of Directors

I, Isao Kano, hereby certify that the information contained in the above FY2018 Slavery and Human Trafficking Statement is factual, and that it was approved by MCIE’s Board of Directors at a board meeting on 22nd July 2019.

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Isao Kano
Managing Director
Mitsubishi Corporation International (Europe) Plc

22nd July 2019

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Date