FY2019 Slavery and Human Trafficking Statement

1. About the Statement
As a company which carries out a portion of its business in the United Kingdom (hereinafter “UK”), Mitsubishi Corporation (hereinafter “MC”) has produced this FY2019 Slavery and Human Trafficking Statement (hereinafter “this Statement”) in line with the requirements of Section 54 of the UK Government’s Modern Slavery Act 2015 (hereinafter “the Act”).

This Statement is intended to communicate the steps that MC has taken during the previous fiscal year (hereinafter “FY2019”) to ensure that slavery and human trafficking is not occurring in any part of its business or supply chains.

The definitions of “slavery” and “human trafficking” are laid out in Sections 1 and 2 of the Act. However, in recognition that these issues can manifest themselves in many ways depending on local circumstances, this Statement covers MC’s efforts to prevent any form of slavery and human trafficking; ensuring that workers are safe throughout its business operations and supply chains; and that all relevant laws and international standards are being upheld.

This Statement has been approved by MC’s Board of Directors and has been signed by Mr. Masakazu Sakakida, Member of the Board and Executive Vice President for MC. This Statement is publicly available on MC’s website.

2. About Mitsubishi Corporation
With offices and subsidiaries in approximately 90 countries worldwide and a network of around 1,700 group companies, MC conducts its business with a multinational workforce of approximately 86,000 people.

MC is a global integrated business enterprise that develops and operates businesses across virtually every industry through its 10 Business Groups: Natural Gas, Industrial Materials, Petroleum & Chemicals, Mineral Resources, Industrial Infrastructure, Automotive & Mobility, Food Industry, Consumer Industry, Power Solution and Urban Development. MC’s current activities have expanded far beyond its traditional trading operations to
include project development, production and manufacturing operations, working in collaboration with our trusted partners around the globe.

For more information on MC’s business groups and their activities, please visit the following link: http://www.mitsubishicorp.com/jp/en/bg/

3. MC’s Philosophies and Principles
The Three Corporate Principles – Corporate Responsibility to Society; Integrity and Fairness; and Global Understanding through Business established early in MC’s history, serve as MC’s core philosophy.

MC has constantly endeavored to enhance its compliance initiatives. Measures have included establishing the Corporate Standards of Conduct to set forth expectations with regard to how business should be conducted, in conjunction with developing various compliance-related internal rules, introducing a compliance officer system, and expanding and upgrading risk management frameworks.

MC requires employees to conduct business in compliance with local laws and regulations as well as global standards such as the Universal Declaration of Human Rights established by the United Nations (UN) and the core labor standards of the International Labour Organization (ILO). It also requires employees to act in a socially responsible manner by complying with the highest ethical standards by pledging to follow the Mitsubishi Corporation Code of Conduct.

4. MC’s Commitments in Relation to Slavery and Human Trafficking
MC is committed to respecting human rights and strives to ensure that its 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 channels including the following:

- MC’s Social Charter states that MC “will fully respect human rights” and will also “fully respect fundamental labor rights and endeavor to ensure the provision of proper working environments with consideration for safety, health and other aspects.”
• MC’s **Basic Stance on Human Rights** affirms MC’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.

• MC is a signatory of the **UN Global Compact**, declaring MC’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 MC should strive for “the elimination of all forms of forced and compulsory labor.”

• MC has identified **7 Key Sustainability Issues (Materiality)** for MC’s sustainable growth as mileposts to help MC realize 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, MC will continue to implement a sustainable approach to procurement and supply operations while taking into account environmental and social factors not only in MC’s own business but also throughout the supply chain.

• MC’s commitment to respect and uphold human rights also extends to its supply chains. In order to convey this stance to suppliers, MC created the **Mitsubishi Corporation Policy for Sustainable Supply Chain Management** (hereinafter “the Policy”), which all suppliers are expected to understand, embrace and abide by. 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 further address issues such as child labor, freedom of association and suitable remuneration.

• MC has established the Timber and Paper Products Procurement Guidelines and the Palm Oil Procurement Guidelines, which set out MC’s stance on human rights in relation to the procurement of those products.

5. **MC’s Activities in FY2019 in Relation to Prevention of Slavery and Human Trafficking**

A) **Training and Awareness Raising**

MC’s policies and guidelines, including those related to respecting human rights through its businesses and supply chains, are communicated to all new recruits and reinforced at various internal training sessions on a regular basis. These policies and
guidelines are also conveyed to employees of overseas businesses and affiliated companies at various internal training seminars on a regular basis. In addition, content related to child labor and the Act are incorporated into an e-learning program which all executives and employees are required to take every year, in order to cultivate a better understanding toward slavery and human trafficking in each of the employees. For a description of MC’s training programs and their features, please see the following link: https://www.mitsubishicorp.com/jp/en/about/resource/training.html

B) Loan and Investment Proposal Screening
In order to ensure that the direct business operations and relationships that MC enters into do not cause or contribute to adverse human rights impacts, all loan and investment proposals are vetted through a screening process that considers not only financial and legal risks but also environmental, social and governance (ESG) factors, including human rights. MC’s ESG screening takes into account various standards which emphasize the importance of human rights. The standards include 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). Further details are available via the following link: https://www.mitsubishicorp.com/jp/en/csr/management/framework/

C) Supply Chain Management
a) Formulation of Policies and Guidelines
MC strives to ensure that it does not contribute to adverse human rights impacts throughout the supply chain. As part of these efforts, MC has established the Policy, which is made available to MC’s suppliers. In addition, in FY2019 MC established the Timber and Paper Products Procurement Guidelines and the Palm Oil Procurement Guidelines, and started initiatives aiming to resolve specific issues related to those products.

b) Supplier Assessments
In order to confirm that its policies and guidelines are being upheld, MC conducts regular supplier assessments for products that are considered to have high levels of
human rights risks, including slavery and human trafficking. In FY2019, MC launched and began using the internet-based System for Sustainable Supply Chain Survey (hereinafter “the System”). In addition to improving access for suppliers to MC’s policies, guidelines and supplier survey, the System allows MC to efficiently monitor its supply chains in real time and take necessary corrective measures in a timely fashion.

Based on the results of the assessment, MC has incorporated a mechanism to monitor suppliers in terms of their governance and operations, identify high-risk suppliers, and determine whether further surveys or site visits are required. In the event that potential or actual adverse impacts are identified, or further improvement is deemed necessary, MC commits to engaging with suppliers to ensure that corrective measures and improvement plans are implemented. Should a supplier fail to take the necessary steps to cease or prevent the adverse impacts identified, MC will reevaluate its business relationship with the supplier. The level of communication with suppliers achieved through these surveys and site visits provides a valuable opportunity to deepen the suppliers’ understanding of MC’s stance on sustainability. It also gives MC the opportunity to deepen communication with its suppliers and provide them with training and assistance as necessary.

Furthermore, in order to improve the effectiveness of the supplier assessments, MC continuously reviews the content of the questionnaire. In FY2019, besides increasing the number of open-ended questions, MC added a question for Japanese suppliers in order to better understand the situation related to employment of foreign technical interns.

For the assessment conducted in FY2019, MC received replies from approximately 300 companies in 30 countries including China and Thailand. As previously, the results of this assessment are shared with stakeholders via the ESG Data Book. MC also began disclosing the number and percentage of suppliers the company is working with to share concerns, solve issues, etc., in order to increase transparency and share progress with all stakeholders.

The details of MC’s Supply Chain Management are available at the following link:
6. **Looking Ahead**

Within the context of its broader human rights commitments, MC recognizes the importance of maintaining constant vigilance to identify and address any impacts associated with slavery and human trafficking throughout its global operations and supply chains. In recognition of the salience of these issues, MC is committed to continuing to enhance its capacity to identify, prevent and mitigate any actual or potential impacts in this field.

7. **Approval by MC’s Board of Directors**

I, Masakazu Sakakida, hereby certify that the information contained in this Statement is factual and has been approved by Mitsubishi Corporation’s Board of Directors.

July 17, 2020

Masakazu Sakakida
Member of the Board, Executive Vice President
Mitsubishi Corporation