

FY2015 Slavery and Human Trafficking Statement

Objective of this Statement

This Statement is intended to announce the steps taken by Marubeni- Komatsu Limited (“MKL”) during and after FY2015 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, which came into force in 2015.

MKL’s businesses

MKL is the UK distributor for Komatsu Construction and Mining machines. Core activities are the selling and distribution of new machines, parts and the provision of maintenance and repair services. In addition used machines are remarketed. The majority of activities are based in the UK.

Supply chain

Whilst MKL is engaged in the UK, its supply chains span a number of countries and regions. MKL considers supply chain management to be a vital issue for the continuation of sound business, and strives to prevent modern slavery—e.g. forced labor, child labor, human trafficking and exploitation—from arising.

MKL policies in relation to human rights

Marubeni Corporation (“Marubeni”) is the ultimate parent of MKL and MKL refers to key policies of Marubeni

- In its Compliance Manual, which prescribes the code of conduct that officers and employees of Marubeni must abide by, Marubeni sets forth the following as matters to be observed: "Respect Human Rights and Refrain from Any Form of Discrimination, Sexual Harassment or 'Power Harassment'".
- Marubeni places importance on working with its business partners in relation to CSR supply chain management and has formulated the Basic Supply Chain CSR Policy (hereinafter referred to as “Basic Policy”). The Basic Policy explicitly prohibits acts that infringe human rights, as follows: "Respect human rights, without discrimination, physical, verbal, sexual and other forms of harassment or inhumane treatment", "No child labor, forced labor, inappropriate wage abatement, or excessive working hours", "Respect employees' right to unionize for the purpose of negotiations between labor and management and to bargain collectively", and "Secure safety and health in the workplace, and maintain a good working environment".

The Basic Policy can be viewed at the following URL:

http://www.marubeni.com/csr/supply_chain/index.html

- Marubeni has set out measures and procedures in relation to business partners that are found to be non-compliant 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. Measures and procedures to be taken in relation to business partners that have failed to comply with the Basic Policy can be viewed at the following URL:
http://www.marubeni.com/csr/supply_chain/data/SCM-P-201112R.pdf
- 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, labor, environment and anti-corruption. Marubeni is working to realize the ideals of UNGC by supporting the ten principles.

Initiatives to prevent modern slavery from arising

- **Supply chain management**
MKL informs its long-term business partners of the Basic Policy in various ways and seeks their understanding and cooperation with respect to the Basic Policy.
- **In-house training and education**
MKL has conducted a training and awareness course for senior managers on MKL and Marubeni's approach to human rights and its policies for human rights initiatives, including the prevention of modern slavery. This is being cascaded throughout the business.

To realize a better society

MKL believes that the promotion of respect for human rights is an important task in CSR activities. Going forward, MKL 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 MKL.

Approval of the Board of Directors

I, Kazuhiro Kondo, hereby certify that the content of the "FY2015 Slavery and Human Trafficking Statement" is true and has been approved by MKL's Board of Directors.

September 23, 2016

Kazuhiro Kondo
Chairman
Marubeni- Komatsu Limited

