



## Slavery and Human Trafficking Statement (FY2022)

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 (the "Act"). It has been approved by the board of Marubeni-Komatsu Limited and constitutes our slavery and human trafficking statement for the financial year ending 31st March 2023 ("FY2022").

### *Our company*

Marubeni-Komatsu Limited (the "Company") is a subsidiary of Marubeni Corporation which is deemed to be the ultimate parent company. Marubeni Corporation is one of Japan's largest trading and investment companies.

The Company is the UK distributor for Komatsu Construction 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 vast majority of activities are based in the United Kingdom.

### *Our principles and values*

It is the Company's policy that management and employees must comply with the highest standards of business and ethical conduct in all dealings with customers, suppliers, government officials and the wider community.

The Company's core values, in common with all companies in the Marubeni Group, are fairness, innovation and harmony.

### *Our supply chains*

Whilst the Company is engaged in the UK, its supply chains span a number of countries and regions. The Company considers supply chain management to be a vital issue for the continuation of sound business and strives to prevent modern slavery. For example, forced labour, child labour, human trafficking and exploitation-from arising.

### *Relevant policies*

The meaning of modern slavery and the Company's commitment to the fight against modern slavery are expressed in our Modern Slavery Policy, accessible on our website:  
<https://marubeni-komatsu.co.uk/about/policies/>

The Company is committed to taking steps where reasonably practicable to ensure that modern slavery is not taking place in any part of its own business or in any of its supply chains.

We would also draw attention to the Basic Supply Chain Sustainability Policy, established in October 2008 (and subsequently amended) of our parent company Marubeni Corporation, established in October 2008 (and subsequently amended) as found here:  
[www.marubeni.com/en/sustainability/supply\\_chain/](http://www.marubeni.com/en/sustainability/supply_chain/)

Marubeni has also 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.

In 2019, Marubeni Corporation published the Basic Policy for Human Rights which sets out our firm commitments based on the UN's Guiding Principles on Business and Human Rights. This policy can be found here: [www.marubeni.com/en/sustainability/human\\_rights/](http://www.marubeni.com/en/sustainability/human_rights/).

Other relevant policies of the Company are its Anti-Corruption Policy and its Business Conduct Policy.

Further to the above policies, in April 2019 the Marubeni Corporation established the Sustainability Management Department.

#### *The modern slavery risks*

We recognise that modern slavery may exist to a greater or lesser extent in most if not all countries and in most industries. Given the number of countries into which our supply chains extend, it would be reasonable to assume that the Company must therefore be at risk in respect of modern slavery to some extent.

#### *Reducing the risk of modern slavery occurring in our business or supply chain*

In line with guidelines issued by Marubeni Corporation, the Company established a methodology for the assessment of risk of human rights violations in its supply chains. The Company has developed a framework of activities which is based on a standardised approach of assessment in the Company's own supply chain, its own business and its indirect suppliers.

The developed approach is establish criteria for assessing risk and then perform an assessment of the risks against the criteria. Based on the results of the assessment, if necessary, the Company will implement measures to eliminate any identified risks.

#### *Other specific steps already taken prior to 31 March 2023*

##### **1) Supply chain management**

The Company has established criteria for the assessment of risk in the Company's supply chain. This involved a review of the supply chain against the US Department of Labour's "List of Goods Produced by Child Labour or Forced Labour".

This was assessed in the financial year to 31 March 2023. No individual direct supply chains were found to involve a commodity that is listed by the DOL or any of the listed countries feature in any part of the direct supply chain. Since this review, we have not identified any instances that require further investigation.

In addition, the Company 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. Assessment questionnaires were sent to all suppliers to improve our understanding of modern slavery risks in our supply chains, and what steps our suppliers are taking to mitigate those risks. The information provided is incorporated into the assessment for our approved supplier list.

2) Human Rights Risks in the Company's own business.

The Company has established criteria for the assessment of Human Rights risk in its own business, and has performed an assessment against the criteria, with no risks being identified.

3) In-house training and education

The Company has previously conducted a training and awareness course for all employees on the Company's and Marubeni's approach to human rights and its policies for human rights initiatives, including the prevention of modern slavery.

*Further steps in the year to 31 March 2024*

In this financial year, focus on suppliers in relation to the legislation will continue. In particular the following steps will be undertaken:

- Indirect Supply: Review with key suppliers through review meeting platform how they assess/due diligence on their supply base to identify any potential supply chain risk in modern slavery/human rights from high-risk countries/regions, if applicable.
- Refresher for all employees covering Modern Slavery and Human Rights.

*Effectiveness*

We are confident employees have been made aware of the importance of modern slavery and human rights issues and are equipped with sufficient information to help detect and report issues should they arise within our business or supply chain.

It may be too early to say with any certainty how effective the steps we are taking have been and will be in ensuring that modern slavery is not taking place in our supply chains through indirect supply. However, as a result of the steps taken so far, we are confident that the risks are now much better understood.

This Statement relates to the Company's financial year ended 31 March 2023 and, where noted, steps taken subsequently up to the date shown below.

Signed:



Ryosuke Kato  
Chairman

Marubeni-Komatsu Limited