

## **FY2016 Slavery and Human Trafficking Statement**

### **Objective of this Statement**

This Statement is intended to announce the steps taken by Marubeni Corporation (“Marubeni”) during FY2016 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.

### **Marubeni’s businesses**

Marubeni conducts a diversified range of business activities across its operating segments (“Food & Consumer Products”, “Chemical & Forest Products”, “Energy & Metals”, “Power Projects & Plant” and “Transportation & Industrial Machinery”), including import, export and offshore trading as well as domestic business transactions, domestic and overseas business investments, resource development and the provision of various services, through its global network of 131 locations in 66 countries and regions.

### **Supply chain**

As Marubeni is engaged in a wide range of businesses worldwide, its supply chains span a number of countries and regions. Marubeni considers supply chain management to be a vital issue for the continuation of sound business, and strives to prevent modern slavery—e.g. forced labour, child labour, human trafficking and exploitation—from arising.

### **Marubeni’s policies in relation to human rights**

- In its Compliance Manual, which prescribes the code of conduct that officers and employees of the Marubeni Group must abide by, Marubeni sets forth the following as matters to be observed: "To respect human rights and refrain from any form of discrimination, harassment and the like." These human rights include all basic forms of human rights such as those described by constitutions, labour standard laws, Universal Declaration of Human Rights, international labour standards of the International Labour Organization and guiding principles on business and human rights. Marubeni revises and updates its Compliance Manual on an annual basis. For the latest version, please access the link below:  
[http://www.marubeni.com/company/governance/measure/compliance/manual/data/compliance\\_manual\\_201707\\_en.pdf](http://www.marubeni.com/company/governance/measure/compliance/manual/data/compliance_manual_201707_en.pdf)
- 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 labour, forced labour, inappropriate wage abatement, or excessive working hours", "Respect employees' right to unionize for the purpose of negotiations between labour 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 link:

[http://www.marubeni.com/csr/supply\\_chain/index.html](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 noncompliant 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 link:

[http://www.marubeni.com/csr/supply\\_chain/data/SCM-P-201112R.pdf](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, labour, 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**

Marubeni 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.

Marubeni conducted a questionnaire-based survey in FY2010 and has made on-site inspections from FY2011 in order to confirm its business partners' status of compliance with the Basic Policy, including human rights and work environment.

When conducting on-site inspections, Marubeni focuses on business partners located in countries with a high risk of human rights violations or operating in sectors generally considered to present a high risk in terms of labour conditions, such as apparel products and agricultural produce. Then, Marubeni employees visit the manufacturing/production sites of the selected business partners in person and investigate the status of their initiatives in regard to the Basic Policy overall, such as occupational health and safety, environmental protection, fair trading practices, quality control and disclosure of information, in addition to matters concerning respect for human rights, including child

labour, forced labour, discrimination, labour conditions and wages. The inspections are conducted based on the information received from an external consultant who provides advice on inspection procedures, etc. from the standpoint of an independent expert. When necessary, Marubeni requests that an external consultant be present during an inspection. In FY2016, Marubeni conducted an on-site inspection at a factory manufacturing rubber products in Vietnam.

The results of some previous on-site inspections can be viewed at the following link:

[http://www.marubeni.com/csr/supply\\_chain/index.html](http://www.marubeni.com/csr/supply_chain/index.html)

By the end of FY2017, in regard to Marubeni's businesses as well as all of the products it handles, Marubeni plans to appoint an external consultant and use criteria based on publicly available materials from International Finance Corporation and the World Bank to map all of its sustainability risks, including human rights risks, and establish highly effective preventative measures against human rights infringements and other violations.

- **In-house training and education**

- Marubeni has added a new item to the section on respect for human rights in its Compliance Manual, namely, the UN Guiding Principles on Business and Human Rights. By doing so, Marubeni has clarified its stance on endeavoring to comply with the said Principles, which clearly state companies' responsibilities for respecting human rights, and is making this widely known among officers and employees of the Marubeni Group.
- Marubeni conducted a training course for new employees on Marubeni's approach to human rights and its policies for human rights initiatives, including the prevention of modern slavery.
- Marubeni also conducts an e-learning training program, targeted at all Marubeni officers and employees, on such topics as respect for human rights and occupational health and safety in the supply chain. In FY2016, approximately 3,000 people participated in the program.

**To realize a better society**

Marubeni believes that the promotion of respect for human rights is an important task in sustainability. Going forward, Marubeni 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 the Marubeni Group's businesses.

**Approval of the Board of Directors**

I, Nobuhiro Yabe, hereby certify that the content of the “FY2016 Slavery and Human Trafficking Statement” is true and has been approved by Marubeni’s Board of Directors.

September 19, 2017

A handwritten signature in black ink, consisting of a series of loops and a long horizontal stroke extending to the right.

Nobuhiro Yabe  
Managing Executive Officer, Member of the Board  
Marubeni Corporation