

# MODERN SLAVERY STATEMENT 2023



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## Modern Slavery Statement

### Marubeni-Itochu Tubulars Oceania Pty Ltd

#### FY23

This statement covers the activities of Marubeni-Itochu Tubulars Oceania Pty Ltd (ABN: 87 077 953 827) during the year ended 31 March 2024 | period 1 April 2023 to 31 March 2024.

References in this statement to 'MITO', 'we', 'our' and 'us' are references to the Marubeni-Itochu Tubulars Oceania Pty Ltd.

This modern slavery statement is submitted under the *Modern Slavery Act 2018* (Cth) (**the Act**) and sets out the actions we have taken to assess and address modern slavery risks in our operations and supply chains.

## Message from our Managing Director

I am pleased to share Marubeni-Itochu Tubular Oceania's (MITO) 2023 Modern Slavery Statement.

We have developed this statement in line with Australia's Modern Slavery Act and outlines our company's modern slavery risks and actions to address them.



At MITO, we recognise and respect the human rights of our people, our communities and those across our supply chain, and we are committed to protect the dignity of the individuals in which we operate.

We acknowledge and understand that modern slavery is complex across the supply chain, and we will continue to take steps to improve our understanding and management of modern slavery risks in our operations and supply chain. Importantly, we will work closely with our partners across the supply chain to further develop the approach to address and manage modern slavery risks.

This statement has been approved by the Board of Marubeni-Itochu Tubulars Oceania Pty Ltd on 16<sup>th</sup> September 2024.

A handwritten signature in blue ink, followed by a red circular stamp containing a Chinese character. A horizontal line is drawn below the signature and stamp.

**Hakim Messoussa**

**Managing Director**

## Our values



## About us

Our company is dedicated to providing better tubular solutions across the resource and energy sectors, and we provide an exclusive and fully comprehensive supply chain concept to prioritise our customer needs.

### **Our Vision:**

***We will unlock potential to create an energised and sustainable future.***

Marubeni-Itochu Tubulars Oceania Pty Ltd (MITO) is one of the largest steel tubulars and linepipe suppliers in the Oceania region including Australia, New Zealand and Papua New Guinea. Our head office is in Perth and branch offices in Brisbane and Auckland. With our strong relationships and global operations, we have the scope, dedication, and experience to supply valuable customised services with a wide range of steel products from the world's leading mills and manufacturers in Japan, USA, Korea, China and Europe.

The parent company is Marubeni-Itochu Tubulars Asia Pte Ltd. The ultimate parent company is Marubeni-Itochu Steel Inc. As part of the MISI global network, MITO has access to material, technical and financial resources to fulfil the requirements of major project work. MITO recognises the need to minimise our carbon footprint and is working to identify ways to minimise greenhouse gas emissions.

For more information on Marubeni-Itochu Tubular Oceania Pty Ltd (MITO), please refer to:

<https://mito.net.au/>

## Our structure

MITO is a proprietary company and is incorporated in Australia and our principal place of business is Level 9, 5 Mill Street, Perth WA 6000.

Our parent company is Marubeni-Itochu Tubulars Asia Pte Ltd, incorporated in Singapore. The ultimate parent company is Marubeni-Itochu Steel Inc, incorporated and headquartered in Japan.

MITO does not have any owned or controlled entities.

### ***Our operations***

We are one of the largest steel tubular suppliers in the Oceania region, with our head office located in Perth (Western Australia), and facilities proximal to local operations in Dalby, Karratha, Moomba, Roma, Darwin, and New Plymouth (NZ).

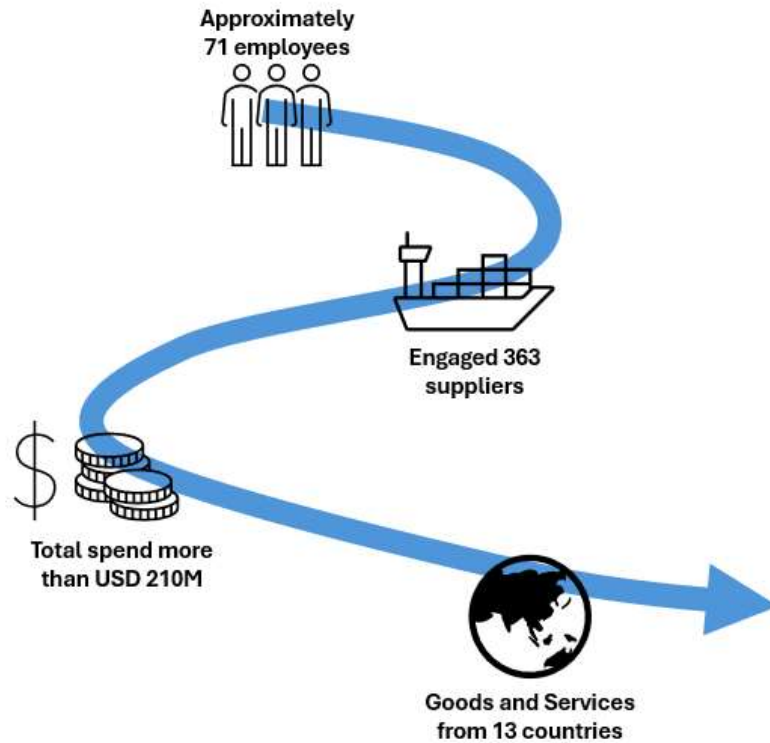
MITO is a fully integrated network, and we have the scope, dedication, and experience to supply valuable, customized services with a wide range of steel products from the world's leading mills and manufacturers in Japan, USA, Korea, China, and Europe to the Oceania region.



We engage 71 employees permanent full time or part-time employees, of which 56% work in office-based positions and 44% work in regional operations positions. Employment at MITO is underpinned by the Marubeni-Itochu Tubulars Oceania Pty Ltd Employee Collective Agreement 2018 and comprehensive and easily assessable Human Resource.

## Our supply chain

In FY23, we engaged with more than 363 suppliers with a total spend of over USD 210 million. The goods and services we sourced are from a total of 13 countries, with Australia, Japan, Singapore, and China accounting for more than 95% of our total spend.



Through an analysis done in 2023 in our supply chain of our top suppliers, our spend is predominantly made of the following categories:

Supply chain segment	Category	Description
Trade supplier - for sale and distribution	Steel & Non-Steel Supply	Steel supply includes OCTG, line pipe, specialty steel products (incl floating equipment, mining, sucker rods, etc). Non-steel supply includes GRE, plastic / composite protectors.

Supply chain segment	Category	Description
	Value Added Services	Suppliers that MITO engages to provide services typically off-site. These services are provided to enhance or refine MITO's final sellable products. These include threading, grinding, coating, conversion to crossovers / pup joints, NDT testings, third party inspections, load/discharge surveys.
	Logistics	Suppliers that provide land transportation, warehousing, storage, 3PL services.
	Freight	Suppliers that provide ocean and air freight, including custom brokers, stevedoring, and other port related services.
Non-trade suppliers - goods and services not for sale	Hardware and Machinery	On site machinery, hardware, construction materials to enable yard and MTS operations.
	Indirect Goods	Goods purchased to facilitate day-to-day back office operations and support services. These include office stationery / hardware, uniforms, phones, IT Equipment etc.
	Utilities	Suppliers that provide energy, gas, and phone services to MITO's offices and yards.
	Onsite Services	Services MITO engages that are performed typically on MITO's yards. These services include cleaning, construction, engineering, facilities management services, security, etc.
	Courier	Mail and postal services.
	Professional Services	Services that facilitate the back office or financial aspect of MITO's operations, e.g. Finance, Insurance, Consulting, IT, Recruitment, Marketing, Legal.



## Modern slavery risks

We recognise that modern slavery may impact our business activities and we endeavour to take responsibility for reducing the risk that we might contribute to modern slavery through our operations and supply chains.

## Risk assessment methodology

We developed a risk assessment methodology which considers a number of indicators of modern slavery risks including sector and industry, the type of products and services, geographical location, and specific entity risk.

### Modern Slavery Self-Assessment Questionnaire

The number of suppliers that have been asked to complete a detailed questionnaire is 41, which represented about 94% spend of all suppliers. Answers to these questionnaires are reviewed by MITO to understand and assess risks of modern slavery across the supply chain, and to identify further areas of improvement.

### Risk Profile

We have performed a desktop assessment on the categories of goods and services based on the responses of the suppliers in the various categories, and the findings of our risk profile can be summarised as follows:

Risk	Description of risk
Sector /Industry	We have identified some sectors within our operations and supply chain that may have a higher prevalence of modern slavery risks due to their products and processes. These include supply of steel and non-steel products, and value-added services. Other sectors in our supply chains that present modern slavery risks include freight and logistics. However, at present we have assessed that these sectors are assessed to have lower prevalence of modern slavery risk. Based on the responses, the risk of modern slavery for our suppliers in this sector has been assessed to be low, and most of them either comply to local law or have regular audits already in place.
Geographic	The countries identified in our supply chains have been identified with low to medium prevalence of modern slavery. This is largely because the vast majority (83 %) of our supplier base is in Australia, while the rest are across the rest of the world.
Specific Entity	We are not aware of any specific risks associated with any particular supplier.



## Actions to assess and address risk

We understand the importance of working collaboratively with our employees, suppliers, and the broader industry to combat modern slavery. For this reporting period, we expanded our list of key suppliers to be assessed and undertook risk assessment to identify any key modern slavery risks that existed within our operations and supply chains.

### ***Due Diligence***

For FY23, questionnaires were sent out to our top 41 suppliers. All suppliers submitted the questionnaires except for 4. On receipt of the responses, we reviewed the information to identify higher risk suppliers evaluating several areas including country risk, workforce risk profile, organisational risk, and sought clarifications.

The majority of the suppliers are assessed to have low modern slavery risk in their supply chains in FY23, with a small number with medium modern slavery risk. No suppliers are assessed to have a high risk modern slavery profile. For the 4 suppliers who did not submit their responses, they have low risks, and the spend represents less than 2% of the total spend.

### ***Governance and accountability framework***

In order to respond to the expectations and needs of shareholders, customers, consumers, employees and other stakeholders, a company must be stable and have a solid revenue stream based on sound corporate activities. At Marubeni Itochu Tubulars Oceania (MITO) and Marubeni-Itochu Steel Inc (MISI), the doctrine of basic compliance forms the core element of all our activities. We nurture a keen awareness of our responsibilities as a contributing member of the international community, respecting human rights and striving to protect the global environment.

MITO/MISI have long term quality suppliers to offer clients sustainable tubular needs. We are committed to excellence in our supply chain management, ensuring our subcontractors are also aligned with our governance and compliance policies.

MITO seeks to conduct business in accordance with Australian law, rules and policy, best market practice and the highest standards of integrity and fair dealing. To assist in compliance with legislation, rules and regulations, MITO has established internal controls and procedures to manage its business effectively. Currently, MITO's Compliance Committee comprises of the Compliance Officer, Managing Director, Head of Operations regional Sales Manager, and Production Controller.

### ***Policies and procedures***

In our existing governance framework, we have a number of policies and procedures to ensure we have strong frameworks to enable us to assess and address modern slavery risks, including:

- Modern Slavery Policy, established in 2021, for our business that establishes our commitment to addressing modern slavery risks in our business and driving an accountability for ethical business practices across our organisation.
- Complaints Procedure is in place that supports and encourages employees to raise concerns in relation to their work environment, persons or decisions affecting employment;
- Whistleblowing Policy has been established to provide a supportive work-relationship environment where wrongdoings such as corruption, illegal activities, unethical behaviour, harmful work practices, can be raised without fear that their future employment prospects will be adversely affected;
- Bullying, Harassment and Anti-Discrimination Policy is in place to ensure MITO provides a safe, flexible, and respectful environment for Employees and Customers, free from all forms of discrimination, bullying and sexual harassment;
- Inclusion and Diversity Policy is also in place where everyone is treated with respect and equity, and diversity is celebrated.

These policies and procedures complement our existing governance framework which includes the Compliance Manual, Human Resources Manual, and General Policies and Procedures Manual.

### ***Whistleblower Hotline***

MITO has a mechanism in place to address or to report grievances, or unethical conduct.

- MITO Whistleblower Hotline
- MISI Global Hotline

### ***Future actions***

We have also planned to undertake further actions to identify and address our modern slavery risks as set out in the 'Looking forward' section below.

## Looking forward

MITO will continue to review and improve our approach to effectively assess and address modern slavery risks on our operations and supply chain.

Going forward, we will focus on key steps for future reporting periods, e.g.:

- making adjustments to our risk management practices as necessary, as we learn more about modern slavery, including updating of the modern slavery policy;
- continuing to monitor our reporting obligations, by taking a proactive approach to compliance under the Act, and continuing to review our financial performance to determine mandatory modern slavery reporting;
- developing our understanding further of our modern slavery risks through improving due diligence processes for new and existing suppliers to better manage human rights risks more broadly.

## Assessing effectiveness

MITO assesses the effectiveness of its actions through the following actions:

- setting up a regular review of our modern slavery processes with senior management on steps to appropriately identifying and evaluating our modern slavery risks;
- assessing whether the existing risk management processes remain appropriate when engaging a new supplier;
- conducting an annual review of our data sources, to ensure modern slavery risks are appropriately identified and evaluated.

We are also considering additional ways of assessing the effectiveness of our actions, including:

- updating our MITO modern slavery process to be line with the changes of the market environment; and
- establishing key performance indicators (KPIs) to measure MITO's effectiveness of the actions such as percentage of employees completed modern slavery training and number of contracts that include modern slavery clauses.

## Consultation

We do not own or control any other entities and therefore this criterion is not applicable.

However, prior to being put to the Board of Marubeni-Itochu Tubulars Oceania Pty Ltd for review and approval, this statement was reviewed by Chief Commercial Officer, Head of Operations, Head of Finance, and Head of People and Culture.

This statement was approved by the Board of Marubeni-Itochu Tubulars Oceania Pty Ltd in their capacity as the principal governing body of Marubeni-Itochu Tubulars Oceania Pty Ltd on 16<sup>th</sup> September 2024.

This statement is signed by Hakim Messoussa in their role Managing Director of Marubeni-Itochu Tubulars Oceania Pty Ltd on 18<sup>th</sup> September 2024.



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**Hakim Messoussa**

**Managing Director**

## Statement Annexure



### **Mandatory criteria**

This statement complies with the mandatory criteria for a modern slavery statement outlined in section 16 of the *Modern Slavery Act 2018* (Cth). The below table indicates where each requirement is addressed in this statement.

Requirement	Page Number
(a) Identify the reporting entity.	3-5
(b) Describe the structure, operations and supply chains of the reporting entity.	6-8
(c) Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities it owns or controls.	9
(d) Describe the actions taken by the reporting entity and any entity that the reporting entity owns or controls, to assess and address those risks, including due diligence and remediation processes.	10-11
(e) Describe how the reporting entity assesses the effectiveness of such actions.	12
(f) Describe the process of consultation on the development of the statement with any entities that the reporting entity owns or controls (if a joint statement has been made under section 14, also describe the process of consultation with the entity giving the statement).	13
(g) Include any other information that the reporting entity, or the entity giving the statement, considers relevant.	N/A