

Annual Report on Fighting Against Forced Labour and Child Labour (FY2023)

This statement is made pursuant to Section 11 of the Fighting Against Forced Labour and Child Labour in Supply Chains Act (the “Act”).

This statement on forced labour and child labour (collectively “Forced Labour”) has been approved by the board of Marubeni America Corporation (the “Company”) for the financial year ended March 31, 2024 (“FY2023”).

Our Company’s structure

The Company, a wholly owned subsidiary of Marubeni Corporation, one of Japan’s largest trading and investment companies, is headquartered in New York, the United States of America.

The Company is engaged in trade and investment activities across a number of sectors and handles a broad range of goods and commodities.

The Company’s main product areas include food products, chemicals, metal and mineral resources, textile, infrastructure, and machinery.

Our organization consists of more than 250 staff and 15 business units, which carry out business primarily in the United States of America. For more information on our business organization and activities, please refer to <https://marubeni-america.com/>.

The Company adopts the principles and procedures identified in the Customs-Trade Partnership Against Terrorism (“CTPAT”) Importer and Exporter Security Criteria, as issued by the U.S. Customs and Border Protection, Department of Homeland Security.

Marubeni Group’s principles and values

It is Marubeni Group’s (including the Company and its subsidiaries) policy that management and employees should strive to 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

The Company acts as an intermediary and facilitator for trade between the United States of America and Japan or other third countries (import, export and offshore trade).

The Company is also engaged in the business of (i) exporting goods to Canada from outside-Canada and (ii) importing goods from overseas to Canada as a non-resident importer and (iii) keeping inventory of goods in third party warehouses in Canada.

The Company primarily sells products to its customers (Business to Business) directly or through a distributor network. The Company also provides services including finance and logistics. Further, the Company is engaged in business investment, project development, and management.

Given the wide-ranging nature of the Company's business, the composition and complexity of the Company's supply chains vary greatly. We have estimated that we source goods from in excess of 20 countries. When considering services as well, the total is even higher.

Internal organization in relation to Forced Labour

Matters are overseen by the Company's Chief Finance and Risk Officer ("CFRO") and Legal and Compliance Team. The CFRO has overall responsibility for the Company's response to the challenge of slavery and human trafficking and, in accordance with the requirements of the Act, and have signed this Statement below.

Relevant policies & Due Diligence Process

The meaning of Forced Labour and the Company's commitment to the fight against Forced Labour is expressed in the Marubeni Group Compliance Manual, Business Conduct Guide and Supply Chain Security Program (the "Program").

The Company is committed to taking steps, where reasonably practicable, to ensure that Forced Labour is not taking place in any part of our business or in any of our supply chains.

In 2019, Marubeni Corporation ("Marubeni") published the Basic Supply Chain Sustainability Policy which sets out our firm commitments based on the UN's Guiding Principles on Business and Human Rights.

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 accordance with the Program, the Company obtains a completed Supply Chain Security Questionnaire in respect of relevant business partners, in respect of all transactions for which the Company acts as the importer of record or U.S. Principal Party in Interest for exported goods. The term "business partner" is broadly defined and includes, without limitation, each of the participants (e.g.,

manufacturers/suppliers/vendors, carriers, customs brokers, consolidators) in an international supply chain from the point of origin of the shipment to the end-user.

Once a business partner has been qualified under the Program, each business unit shall periodically verify the status of each business partner's supply chain procedures. Under this Program, requalification is required to be obtained: (i) no later than one year after the initial qualification of an elevated risk business partner, or (ii) every three years after the initial qualification of a standard risk business partner.

The Company conducts an annual risk assessment to identify where in the supply chain risks of these abuses may be present. This allows the Company to take steps to mitigate or remediate existing problems, or to target our social compliance efforts towards those areas of the supply chain with the greatest risks.

The Company's Trade Compliance Department regularly monitors and reviews import and export transactions and utilizes a third-party screening service that screens business partners against global watchlists and receives regular updates.

The Forced Labour risk

The Company recognizes that Forced Labour exists in many countries around the world. Given the diverse range of our business activities and the number of countries into which our supply chains extend, it would be reasonable to assume that the Company may therefore be at risk in respect of Forced Labour to some extent. We employ due diligence processes and procedures identified in the previous section to identify and address this risk.

Remediation measures

The Company has not encountered any situation of Forced Labour in its supply chain in FY2023.

In accordance with the Program the Company requires its business partners (including direct suppliers and service providers) to complete a questionnaire. If deficiencies are found, the Company provides suggestions on areas of improvement regarding the business partners' policies to try to align these, where possible, with the Company's own.

The Company continues to examine our internal processes with to the goal of identifying what additional steps which could be taken in order to manage the risk of Forced Labour in our supply chains during FY2024 and beyond.

Remediation of loss of income

The Company has not encountered any situation where there has been a loss of income to the most vulnerable families that results from any measure taken to eliminate the use of Forced Labour in the Company's activities and supply chains.

Training

During FY2023, the Company carried out training to increase awareness of the risks of Forced Labour, warning signs, and steps to mitigate risk (including due diligence procedures and remediation measures). Training was given to targeted relevant employees in the Company and relevant employees in Marubeni Group companies in the United States of America and Canada.

Assessing Effectiveness

The continuation of supply chain screening increases our awareness of potential infringements or incidents relating to labour laws and workplace conditions. Moreover, the undertaking of due diligence measures increases our level of engagement with suppliers on Forced Labour issues.

Additionally, the training ensures that our employees have a good understanding of Forced Labour. Through this training, staff is also reminded of relevant company and group policies and actions taken in this area. Furthermore, staff is urged to communicate any related concerns to management.

This Statement relates to the Company's financial year ended March 31, 2024, and, where noted, steps taken subsequently up to the date shown below.

This report has been approved by the Board of Directors of the Company.

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that the board of directors of the Company has reviewed the information contained in the report for the Company. Based on our knowledge, and having exercised reasonable diligence, the board attests that the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above. For clarity, I am providing this attestation on behalf of all the Company's board and not in my personal capacity.

The board of the Company has the authority to bind the Company. I have the power to sign the attestation on behalf of the board of the Company.



Shinichiro Taki
Executive Vice President
Chief Financial Officer & Chief Risk Officer
Marubeni America Corporation

Date: 5/17/2024

