

MC FOODS LIMITED

# MCF Supply Chain Management

## Guidelines

## Policies and Basic Approach

We, MC Foods Limited, following the Three Corporate Principles – Corporate Responsibility to Society, Integrity and Fairness and Global Understanding through business aim to contribute to the happiness of people and realization of an affluent society. We have established our procurement policy for supply chain management guideline, which outlines our actions to address human rights, labor rights and environmental issues. This policy serves to convey our fundamental perspective to all its suppliers and we shall make our best efforts to contribute to realize sustainable society.

### 1. Conduct Guidelines

#### ① Conduct Guidelines

We, MC Foods Limited, seek all suppliers and business partners to understand and implement the following items.

##### ● Forced Labor

*Suppliers shall employ all employees of their own free will with no employee being subject to forced or bonded labor.*

##### ● Child Labor

*Suppliers shall not employ people under the minimum legal working age of the country in question.*

##### ● Safe and Healthy Working Environments

*Suppliers shall work to provide employees with safe and healthy working environments.*

##### ● Freedom of Association and Collective Bargaining

*Suppliers shall respect the right of employees to associate freely and engage in collective bargaining as methods of negotiating working environments, wages and other matters with employers.*

##### ● Discrimination

*Suppliers shall strive to ensure equal opportunities in the work place and shall not engage in discrimination with regard to recruitment and employment practices.*

##### ● Abuse and Harassment

*Suppliers shall respect employees' human rights and must not tolerate abuse or any form of harassment.*

##### ● Working Hours

*Suppliers shall ensure that employees' working hours and use of leave entitlements are appropriately monitored and that excessive overtime labor is prohibited, so as not to infringe upon any statutory regulations.*

●Suitable Remuneration

*Suppliers shall pay employees at least the statutory minimum wage, endeavor to pay at least the living wage, and shall not unreasonably reduce wages.*

●Anti-Corruption

*Suppliers shall engage in fair business practices, avoid corruption including bribery and extortion, and comply with applicable laws and regulations.*

●Environment

*Suppliers shall endeavor to protect the environment and consider the impacts of their business activities on local communities and ecosystems, while paying special attention to energy use efficiency, climate change issues such as greenhouse gas emissions, sustainable use of resources, waste reduction, and air, soil and river pollution.*

② Our Structure for Promoting Sustainable Procurement

i . Scope

We scope all business partners in order to understand any related issues to the supply chain that we are aiming for and to realize sustainable procurement.

ii . Sustainability Check List

We shall issue MCF Sustainability Checklist so that we can grasp the present situation how much all business partners can understand above-mentioned Conduct Guidelines and other individual items applicable for each procurement sections.

iii . How to deal with suppliers

(New Suppliers)

We shall provide you with our Conduct Guidelines in advance and seek your understanding and practice of our policies. In addition, we will make sure of the contents of the questionnaire based on MCF Sustainability Checklist to understand the degree of risk against our policy.

(Existing Suppliers)

We conduct regular questionnaires based on MCF Sustainability Checklist and

make our best efforts to understand and practice the sustainable supply chain that we are aiming for.

iv. Sustainability Promotion

In order to promote the sustainable procurement system, we will establish Supply Chain Management Promotion Task Force under the Chief Sustainability Officer. The Task Force consists of members selected from each procurement sections, summarizing the initiatives of suppliers against sustainability policy and leading the implementation of regular monitoring.

## **2. Information Disclosure**

MCF will properly disclose information related to the above principles in a timely manner.

## **3. For improvement**

If the results of the questionnaire based on MCF Sustainability Checklist are expected to have a negative impact on our business activities or if we identify some concerns for realizing our sustainable supply chain, we will request improvements from suppliers as necessary.