



Questionnaire: Human Rights Issues in Supply Chains of the Seafood Industry

1. About Human Rights Issues in the Seafood Industry

At the time of sending this questionnaire, did you understand the human rights issues (forced labor, slave labor, wage problems, etc.) in the seafood industry that were pointed out in this case?

Mitsubishi Corporation (hereinafter “MC”) is aware of human rights issues in the seafood industry such as those raised by this survey.

2. About Implementation Method and System of the Guiding Principles in Your Company

What specific measures has your company taken to prevent or reduce human rights violations (forced labor, slave labor, wage problems, etc.) in the seafood industry? Please answer for each of the following fields.

(1) Formulation of Human Rights Policy

MC believes that respect for human rights is fundamental to doing business globally. MC stipulates its respect for human rights in its Corporate Standards of Conduct and Social Charter. Furthermore, MC’s Code of Conduct for executives and employees states that the company will “respect human rights; will not engage in discrimination on the basis of race, ethnicity, creed, religion, or any other grounds; will not tolerate harassment; will foster a proper understanding and awareness of the issue of human rights; and will respect the cultures, customs and language of other countries and regions.” MC also supports international norms such as the UN Guiding Principles on Business and Human Rights, the core labor standards of the International Labour Organization (ILO) and the Voluntary Principles on Security and Human Rights. In the UK, the government established the UK Modern Slavery Act (MSA), which requires certain companies to disclose actions taken to mitigate modern slavery in their supply chains. In response to this legislation, MC publishes a statement annually. Furthermore, the Mitsubishi Corporation Policy for Sustainable Supply Chain Management includes clauses covering the prohibition of forced labor and child labor. MC expects its suppliers to understand, embrace and abide by this policy.

[Corporate Standards of Conduct]

<https://www.mitsubishicorp.com/jp/en/about/philosophy/standards.html>

[Mitsubishi Corporation Social Charter]

<https://www.mitsubishicorp.com/jp/en/about/philosophy/socialcharter.html>

[Mitsubishi Corporation Code of Conduct]

<https://www.mitsubishicorp.com/jp/en/about/philosophy/code.html>

[FY2019 Slavery and Human Trafficking Statement]

https://www.mitsubishicorp.com/jp/en/csr/management/pdf/slavery_and_human_trafficking_statement_en.pdf

[Mitsubishi Corporation Policy for Sustainable Supply Chain Management]

<https://www.mitsubishicorp.com/jp/en/csr/management/supplychain.html>



(2) Traceability of Suppliers (method/system for grasping supply chains)

In addition to conducting procurement based on an understanding of the supply chain at the time of purchase, MC regularly conducts surveys of suppliers, with a focus on those in industries where social risks, including human rights and labor conditions, as well as environmental risks are considered higher, such as marine/agricultural products and apparel, in order to monitor their compliance with the Mitsubishi Corporation Policy for Sustainable Supply Chain Management. Products subject to this assessment are determined based on external developments by the two criteria of country/region of origin and product type. Seafood suppliers are also included in this assessment.

MC asks suppliers questions that take into account the specific issues and risks of the products handled by each supplier, with a focus on aspects including “existence of policies, compliance with laws and regulations”, “prevention of forced labor, child labor and discrimination towards workers”, “environmental protection” and “information disclosure”.

In addition, MC employs a system to determine suppliers that may have issues or require assistance based on the results of each questionnaire response. Following this, MC considers and decides whether additional surveys or on-site inspections are necessary.

In the event that MC confirms, through additional surveys or on-site inspections, points that should be rectified or improved in relation to the Policy, in addition to requesting the relevant supplier to take corrective measures, MC also provides guidance and assistance as necessary. If MC determines that a resolution is unlikely even after providing continuous guidance and assistance, MC will review its business relationship with the relevant supplier.

Details on these initiatives are disclosed via the following links on MC’s website and in the ESG Data Book.

Website:

<https://www.mitsubishicorp.com/jp/en/csr/management/supplychain.html>

ESG Data Book:

<https://www.mitsubishicorp.com/jp/en/ir/esg/info/>

(3) Human Rights Due Diligence Methods and Systems

As explained above in (2).

(4) Method/System for Dialogue/Relief Procedure (Grievance Mechanism)

As explained above in (2), MC engages with suppliers through direct dialogues and other means. Establishment of a grievance mechanism is currently under consideration.



(5) Other

MC will continue to build strong relationships with its suppliers such as by conducting regular surveys and, as necessary, on-site inspections.

We are also considering a periodic review of our supply chain management policies based on the outcomes of our stakeholder dialogues.

3. About Status of Traceability of Suppliers

- (1) To what extent does your company aware of your suppliers of marine products (primary, secondary, tertiary, and thereafter)? If you have an open supplier list, please share it.

Although it depends on the species, we know the catchers and producers for most of the products we handle. We do not disclose our supplier list for reasons of confidentiality.

- (2) How do you conduct investigations and monitoring of the fisheries supply chains (standards or procedures, etc.)?

As explained above in section 2 (2).

- (3) Based on your human rights policy (or other procurement code, etc.), what kind of measures do you take in order to request the suppliers to respect human rights?

As explained above in section 2 (1), (2) and (5).

4. Implementation Status of Human Rights Due Diligence

- (1) Do you periodically carry out human rights due diligence processes or human rights risk assessments?

As explained above in section 2 (2).

- (2) Have you released any of your past investigation reports for your human rights due diligence process? If you have, please paste the link below. If not, please let us know the reasons.

Details on these initiatives are disclosed via the following links on MC's website and in the ESG Data Book:

Website:

<https://www.mitsubishicorp.com/jp/en/csr/management/supplychain.html>

ESG Data Book:

<https://www.mitsubishicorp.com/jp/en/ir/esg/info/>

5. Implementation Status of Dialogue/Relief Procedures (Grievance Mechanism)

We would like to ask you about the Grievance Mechanism (Dialogue/Relief Procedure) that can be accessed by workers on board in the fishing industry. Please tell us about the implementation status (number of consultations, consultation details, response details of consultations, etc.) up to the moment when you received the questionnaire.



6. Stakeholder Engagement

Please answer the following questions regarding the content of stakeholder engagement (frequency, themes, reflection on management, etc.) in building and implementing the system described above.

We believe that in order to respond to ever changing societal needs, it is important to have a continuous dialogue with all of our stakeholders during our policy planning and implementation processes.

With regards to our marine products business, we regularly review and exchange information with WWF Japan on the topic of sustainable fisheries management and the eradication of IUU fishing. In addition, as mentioned above, if we discover any cases that violate our policy on Sustainable Supply Chain Management through our annual supply chain survey, we would request the supplier in question to take corrective action and provide guidance and support where necessary.

- Labor unions

Please see the following section in the ESG Data Book (Employee Relations).

<https://www.mitsubishicorp.com/jp/en/ir/library/esg/pdf/esgdata/2019/all.pdf#page=94>

- NGOs

We regularly review and exchange information with WWF Japan on the topic of sustainable fisheries management and the eradication of IUU fishing.

In addition, through our corporate foundations based in the Americas and Europe, we support NGOs in these regions on the themes of biodiversity/environmental conservation, sustainable development, environmental justice, poverty alleviation and environmental education and research.

Not limited to the above, our policy is to conduct our business activities while listening carefully to the opinions of NGOs as key stakeholders, and we will engage in communication and dialogue in relation to specific projects upon request.

- Investors

Please refer to MC's Corporate Governance Report (Policy of Dialogue with Shareholders).

https://www.mitsubishicorp.com/jp/en/about/governance/pdf/governance_report_e.pdf#page=9

- International organizations

In order to stay informed on the latest global environmental and social trends, MC has sustainability departments based in Europe, the US, Southeast Asia and other regions, with which we share information and collaborate on a regular basis. In addition, MC is a member of organizations such as the United Nations Global Compact and the World Business Council for Sustainable Development (WBCSD). Through participation in the WBCSD's People Program, MC strives to strengthen the exchange of information and best practices with leading companies and apply such information to its business practices.



Human Rights Now

MC also regularly participates in the United Nations Forum on Business and Human Rights and strives to grasp the latest trends in the business and human rights field.

- Others

Please refer to the links below.

【Sustainability Advisory Committee】

<https://www.mitsubishicorp.com/jp/en/csr/stakeholder/advisory.html>

【Engagement with Suppliers】

<https://www.mitsubishicorp.com/jp/en/ir/library/esg/pdf/esgdata/2019/all.pdf#page=128>

7. Response to this case

If you answered "Yes" to 1 above, please indicate how you have responded to the cases mentioned in this report through your internal systems such as human rights due diligence and compliance mechanisms as described in 2 to 5 above.

In the event that MC confirms points that should be rectified or improved in relation to the Mitsubishi Corporation Policy for Sustainable Development, in addition to requesting the relevant supplier to take corrective measures, MC also provides guidance and assistance as necessary. If MC determines that a resolution is unlikely even after providing continuous guidance and assistance, MC will review its business relationship with the relevant supplier.

With regard to Dalian Ocean Fishing Company Ltd, MC has in the past purchased tuna from them either directly or indirectly via an importer in Japan. However, as MC is currently not involved in the pelagic longline tuna industry in Japan, it does not engage in business transactions with Dalian Ocean Fishing Company Ltd. Furthermore, since we have no plans to resume pelagic longline tuna trading in the future, we have no plans to engage in transactions with Dalian Ocean Fishing Company Ltd.

Although we do not currently conduct business with Dalian Ocean Fishing Company Ltd, as a company that has purchased tuna from them in the past, MC encourages them to cooperate fully with the Indonesian authorities and other investigations in light of their alleged involvement in the incident in question.

MC plans to continue to strengthen its measures mentioned above in order to prevent incidents such as those raised in this report from occurring in the future.

8. Difficulties and Obstacles in Your Company

What are the difficulties and obstacles (such as lack of legislation, lack of technology, cooperation within the industry) in improving the human rights situations in the seafood industry and having a sustainable fishery?

In recent years, the number of certified products conforming to GSSI (Global Sustainable Seafood Initiative) standards has been increasing in the Japanese market. However the market is still in its infancy compared to Europe and the US, and certified products remain undervalued.



As a result, acquiring certification is currently costly, and without subsidies, there remains little incentive for catchers and producers to acquire certification.

MC hopes that stronger regulation and the adoption of certification schemes will improve working conditions within the fishing industry. We also believe it is necessary for governments and industry groups to provide financial support and raise market awareness.