

SUPPLIER GUIDELINE  
Nissui Corporation



## To Our Suppliers

The Nissui Group provides safe, secure and valuable products to customers worldwide by utilizing the bounty of nature, such as marine, agricultural and livestock products, with the cooperation of our suppliers.

We would like to reiterate our appreciation to you for your cooperation as a supplier and ask for your continued cooperation with the Nissui Group to gain the trust of society.

The Nissui Group has been endeavoring to eliminate unlawful transactions, including those in the supply chain, by strictly enforcing compliance with laws and regulations. However, various stakeholders, including customers, are demanding stronger action based on social responsibility and ethical standards. It is necessary to confirm not only product safety and quality but also sustainability in terms of harvesting and fishing, e.g., cultivation area and cultivation method in the case of agricultural products, and catch areas and fishing method in the case of marine products. Furthermore, it is now a requirement to confirm that consideration is being given to human rights in all stages of the supply chain, regardless of what the product item is.

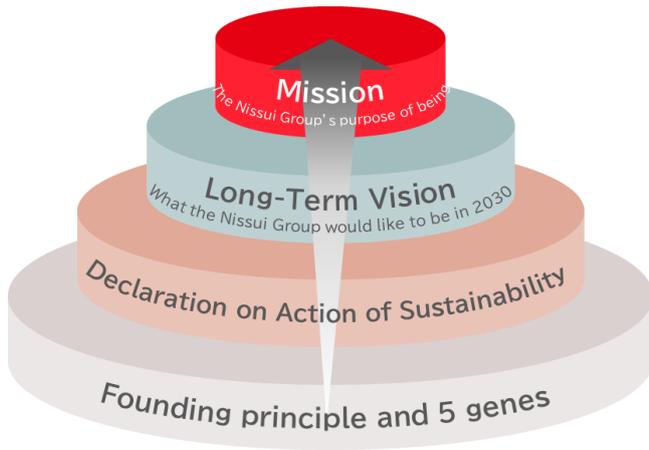
The occurrence of even a single event that undermines the trust of society from among the companies involved in the supply chain might lead to a sense of distrust among consumers and retailers and even translate into boycott campaigns and suspension of business transactions. We must acknowledge that not only the party concerned but all companies in the supply chain will be affected in such cases.

We produce products by procuring and processing a diverse range of raw materials from around the world. We need to meet society's demands in all processes until the products arrive in the hands of customers. We hope to realize sustainability in all aspects, namely, people, society and the environment. We believe that we can exist by being trusted by our customers and by contributing to society.

In March 2016, we proclaimed the Declaration on Action of Sustainability for each stakeholder aimed at realizing a sustainable society. Moreover, having established the Nissui Group Human Rights Policy based on the understanding that human rights are the foundations of business activities, and the Nissui Group Basic Procurement Policy aimed at promoting procurement based on a relationship of trust with suppliers, we are conducting business activities in accordance with these Policies.

This Supplier Guideline, which we newly created on this occasion, summarizes our requests for your cooperation to properly carry out business activities with you as a supplier on an ongoing basis. Your understanding of sustainable procurement initiatives pursued by the Nissui Group and your efforts to comply with the Supplier Guideline will be highly appreciated.

# Management Policy



## Mission

With the wellbeing of the ocean and people as our compass, we are driven to offer the world better food choices. We are determined to harness the power of our pioneering spirit and industry expertise to create a healthier, more sustainable future through innovative food solutions.

## Long-Term Vision for 2030

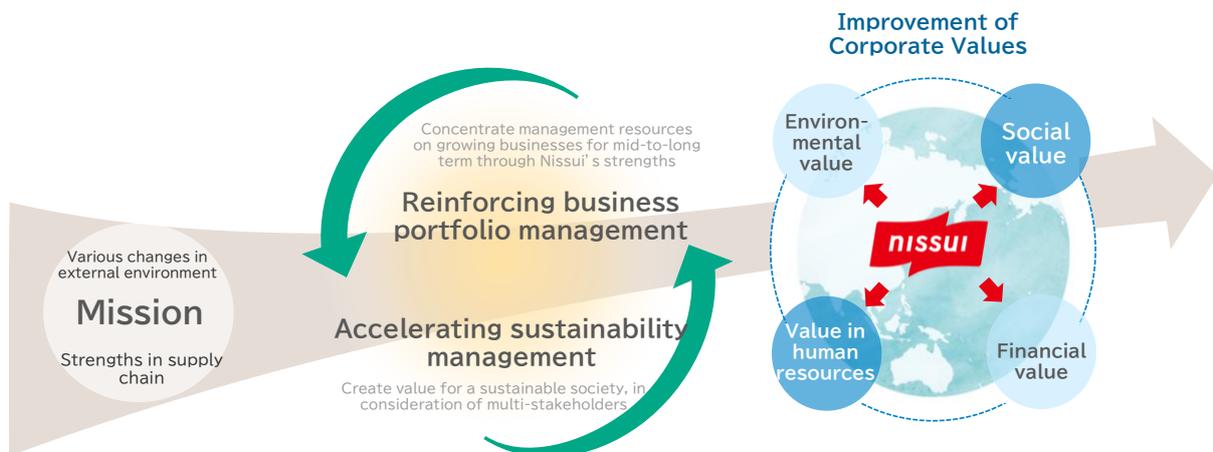
**A leading company that delivers friendly foods for people and the earth**

[Declaration on Action of Sustainability \(Page 4\)](#)

## Founding principle

**A tap water supply system is exactly what marine products should be like in their production and distribution**

We seek marine resources from everywhere in the world, ensure that products are always as fresh as possible, set up their worldwide marketing network, just like the tap water pipeline, and distribute them, adjusting their marketing prices in response to demand... Excess costs related to the distribution of marine products also need to be eliminated to realize the distribution costs lowest possible. Earnings through speculation should not be sought in the course of this supply.



In order to achieve our long-term vision of "Good Foods 2030," we will strive to improve our corporate value by promoting "sustainability management" that creates value for a sustainable society with consideration for multi-stakeholders.

## Declaration on Action of Sustainability

The Nissui Group will appreciate the earth and the sea, and create diverse values from five genes (Mission, Innovation, Hands-on approach, Global, Value the customer) inherited since its foundation and try to solve social issues through business activities.

### **For the Customers**

- We provide safe and secure high-quality products which are valuable for the customers.
- We utilize bounty of the sea and provide the delights of foods and the rich and healthy lives through the innovation.

### **For the Employees**

- We act in accordance with the norms of the society with sound ethics and aim to build a socially trusted company.
- We respect diverse values and individualities, and achieve growth through teamwork by learning from others.

### **For the Business Partners**

- We maintain fair and clean business relationship with all of our business partners.
- We try to build mutual trusting relationship with business partners and seek a sustainable society with them.

### **For the Environment**

- We work hard to reduce environmental burdens and preserve the natural environment and biodiversity.
- We recognize that our business is relied on the bounty of the earth and the sea, and work hard to utilize resources in a sustainable manner.

### **For the Shareholder and Investors**

- We operate in a transparent manner and improve disclosure of information.
- We try to enhance corporate value and continue a proper distribution of profit to the shareholders through stable business growth.

### **For society**

- We work hard to develop local society and cultivate next generation through the knowledge and the technology of the Nissui Group.
- We respect diverse cultures and customs in the world and try to contribute to keeping the local society alive with the development of our business.

Enactment Date : March 22, 2016

## The Nissui Group Human Rights Policy

The Nissui Group will champion the sustainable utilization of marine resources and the preservation of the earth's environment, creating diverse value from nature's bounty to provide health and tastiness to people all over the world. All supply chains connected with our businesses recognize respecting human rights as a top priority and address to honor that responsibility.

### **Respecting Human Rights**

The Nissui Group upholds human rights as set out in the International Bill of Human Rights and the International Labour Organization's (ILO) Declaration on Fundamental Principles and Rights at Work. It takes initiatives for the implementation of the policy based on the United Nations Guiding Principles on Business and Human Rights. Whenever internationally recognized human rights and the laws of a country or region differ, we will seek ways to respect the principles of international human rights.

### **Coverage of the Policy**

This policy applies to all executives and employees of Nissui Corporation, and its group companies. The Nissui Group's business partners, including suppliers, are required to honor this policy and respect human rights.

### **Human Rights Due Diligence**

The Nissui Group will identify human rights risks, both potential and existing, within its business activities and establish mechanisms to prevent or mitigate those risks, and carry them out in an ongoing manner.

### **Education**

The Nissui Group will provide executives and employees training and education regularly so that this policy can be effectively implemented through its business activities.

### **Dialogue with Stakeholders**

The Nissui Group will engage relevant stakeholders in dialogue and consultation to address measures for potential and existing adverse impacts on human rights.

### **Remediation**

If the Nissui Group's business activities are found to have caused or contributed to adverse human rights impacts, we will engage in appropriate means for remediation.

### **Information Disclosure**

Nissui Corporation will report on the status of our human rights initiatives in accordance with this policy on our company website and other means.

### **Development of Process**

The Nissui Group will assign an individual responsible for the implementation of this policy and establish a system to promote business activities that respect human rights.

Enactment Date : September 10, 2020

## Nissui Group Basic Procurement Policy

The Nissui Group declares that it will appreciate the bounty of the earth and sea, and create diverse value through following the company's "five genes", carried forward since its foundation, and will try to solve social issues through the business activities covered in our Sustainability Action Declaration.

Based on that, the Nissui group developed its Nissui Group Basic Procurement Policy in order to meet the expectations of stakeholders, and to contribute to society when purchasing raw materials and products.

The Nissui Group is promoting procurement through relationships built on trust, with suppliers who understand and cooperate with this policy.

### 1. Procurement Policy

1. Suppliers and partners shall be selectively chosen, taking quality, cost, delivery timing, and service into consideration.
2. The Nissui Group shall be open to new supplier candidates.
3. Transactions shall be conducted with fair quality and price maintained by getting material safety data sheets and competitive quotes.
4. The Nissui Group shall promote cost reduction in a positive manner on the condition of safety assurances and quality improvement.

### 2. Compliance, Procurement Ethics

1. The Nissui Group shall comply with laws and regulations of all relevant countries, including Japanese law and internal company rules.
2. The Nissui Group shall fulfill its contracts faithfully with suppliers and partners.
3. The Nissui Group shall understand the significance of information obtained through transactions and preserve the confidentiality of such information.
4. The Nissui Group shall build relationships of trust with suppliers and partners through fair, open and transparent procedures.
5. Corrupt or dishonest behavior, including granting and/or receipt of inappropriate benefits, is entirely rejected by the Nissui Group.

### 3. Awareness of Environmental Preservation

1. The Nissui Group shall promote purchasing of raw materials and products that take environmental preservation of the Earth and local regions into consideration.
2. The Nissui Group shall seek confirmation that the raw materials and products it purchases have been harvested or produced having regard to principles of sustainability, biodiversity and of preservation of ecosystems.
3. The Nissui Group shall purchase raw materials and products from suppliers that are conscious of cyclical usage of resources and energy.

### 4. Respect for Human Rights

1. Suppliers are requested to provide raw materials and products that are not associated with forced labor, child labor or the inhuman treatment of employees.
2. The Nissui Group shall purchase raw materials and products provided by suppliers who ensure

that their working environments respect employees' freedom of association and are free from discrimination.

3.The Nissui Group shall purchase raw materials and products produced in safe and clean work environments.

## **5. Collaboration with Suppliers and Partners**

1.The Nissui Group shall promote close collaboration with suppliers as important business partners.

2.The Nissui Group shall ask suppliers and partners to acknowledge this policy and support and cooperate with the principles set out in this policy.

3.Various proposals by suppliers and partners are examined and seriously considered by the Nissui Group.

Enactment Date : August 28, 2017

## Contents

To Our Suppliers.....	2
Management Policy .....	3
Declaration on Action of Sustainability .....	4
The Nissui Group Human Rights Policy .....	5
Nissui Group Basic Procurement Policy.....	6
Purpose of This Guideline.....	9
Scope of Application .....	9
Timeline .....	9
I. Compliance with Laws and Regulations.....	10
II. Respect for Human Rights.....	11
1. Creating a framework for respecting human rights.....	11
2. Prohibition of forced labor .....	11
3. Prohibition of child labor and cautionary points about employing young workers .....	11
4. Freedom of association.....	12
5. Prohibition of discrimination .....	12
6. Employment .....	12
7. Appropriate wages .....	13
8. Working Time and Rest Day .....	13
III. Safety and Health .....	14
1. Preparation for and response to emergencies .....	14
2. Workplace environment .....	14
3. Dormitory / company housing .....	15
4. Physical and mental health of employees .....	15
IV. Environmental Consideration.....	16
1. Water, waste, greenhouse gas, energy, etc. ....	16
2. Procurement of agricultural / livestock / marine products .....	16

## Purpose of This Guideline

This Supplier Guideline summarizes our requirements on the supply chain that are necessary to meet society's expectations and ensure safety for customers with respect to the products of Nissui Corporation (Nissui) and Nissui Group companies in Japan.

The ongoing execution of business by suppliers in accordance with the Guideline is expected to create many jobs not only in your company but also in upstream companies in the supply chain. It guarantees the livelihood of employees working in these companies as well as their families and helps create a sustainable society; with this understanding, please implement the Guideline without fail.

If an event that violates this Guideline has arisen contrary to your intent/will, please consult with us as promptly as possible. We will think and cooperate with you to find a way toward a better solution.

## Scope of Application

This Guideline is applicable to the suppliers of Nissui Corporation and Nissui Group companies in Japan.

We require our primary suppliers (including companies that supply raw materials and products to Nissui Corporation and Nissui Group companies in Japan as well as their production contractors) to utilize this Guideline and engage in initiatives proactively, including implementing it to suppliers and partners who constitute the supply chain.

## Timeline

This Guideline is divided into "Urgent Requirements" and "Requirements," each of which has a set deadline for making improvements.

If an item listed under "Urgent Requirements" is yet to be fulfilled, please fulfill it within six months; if an item listed under "Requirements" is yet to be fulfilled, please fulfill it within 36 months.

## I. Compliance with Laws and Regulations

### **Urgent Requirements**

- Comply with the laws and regulations in each country in which you conduct business activities.
- Comply with all applicable international laws and ordinances, including laws and regulations related to international trade (e.g., sanctions, export control, reporting obligation), data protection, protection of confidentiality and privacy, intellectual property rights, antimonopoly law and competition law.
- Do not perform any fraudulent act, such as giving or receiving inappropriate benefits.
- Maintain a healthy and appropriate relationship with politicians and the government, and do not give bribes or make illegal political donations, etc.
- Execute operations based on fair and equal treatment and highly transparent procedures.
- Maintain the secrecy of confidential information that may come to your knowledge from suppliers and partners.
- Do not tamper with or falsify data (e.g., labor-related, personal information)
- Provide products and services by fulfilling the provisions stated in the contract document.
- If a fraudulent act has been proposed in business dealings, report it to Nissui Corporation.

### **Requirements**

- Keep records, etc. and protect the reliability and transparency of products.
- Build a framework that enables employees to make a report if a violation of laws and regulations or a breach of this Guideline is suspected.

## II. Respect for Human Rights

### **1. Creating a framework for respecting human rights**

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#### **Urgent Requirements**

- Clarify the person responsible for promoting respect for human rights.

#### **Requirements**

- Formulate a Human Rights Policy, and apply the policy by making it widely known among employees.
- Establish a point of contact where an employee can make a report when he/she has experienced an infringement of human rights, and prevent the person who made such a report from being put at a disadvantage.
- Conduct training on respecting human rights targeted at employees.
- Work on upstream suppliers to respect human rights.

### **2. Prohibition of forced labor**

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#### **Urgent Requirements**

- Do not make anyone engage in any forced labor that is performed involuntarily and under the menace of any penalty.
- Do not mandate anyone to retain his/her identity papers, passport, ID, work permit, bank book or any other personal documents.
- Even if an employee has debt to his/her employer, do not restrict his/her resignation on the grounds of repayment of such debt.
- Ensure that employee can leave their job with reasonable advance notice.
- Do not use any means that deny human rights (e.g., violence, intimidation, punishment, confinement) for the purpose of making an employee conform or controlling an employee.
- Do not deduct usage fees or repair expenses for items used in work from an employee's salary.
- Do not set production targets which lead to labor that exceeds legitimate limits.

### **3. Prohibition of child labor and cautionary points about employing young workers**

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#### **Urgent Requirements**

- Do not employ any person who has not reached the minimum employable age or any person who has not reached the minimum age of completion of compulsory education prescribed by laws and regulations in each country.  
(Exceptions might be made for work on a family farm or fishing boat owned and operated by the custodial parent, as long as the work does not deprive the child of the opportunity to receive an education. However, these suppliers should recognize the importance of children's wellbeing and education for the future of the children themselves and of society at large.)
- Do not make young workers prescribed by laws and regulations in each country engage in night work.

(In principle, young workers are prohibited from engaging in night work. However, exception might be made such as in cases where a worker training program is to be conducted, depending on the conditions that vary among regulatory authorities.)

- If young workers prescribed by laws and regulations in each country are to be employed, their work shall not have any risk of causing harm to their physical, psychological and emotional development.

#### **4. Freedom of association**

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##### **Urgent Requirements**

- Respect employees' right to form labor unions and engage in collective bargaining.
- Do not prohibit organized activities of employees.

##### **Requirements**

- Ensure that Workers' representatives can carry out their representative functions in the workplace.
- Prevent members of a labor organization from being exposed to dangers, e.g., intimidation, unemployment.

#### **5. Prohibition of discrimination**

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##### **Urgent Requirements**

- Do not discriminate against anyone in any way based on race, skin color, gender, religion, disability, age, nationality, ethnicity, sexual orientation, HIV status, political views, social group, national origin, social origin, etc. in terms of any employment conditions including recruitment, salary, promotion, disciplinary action, dismissal and retirement.
- Do not use words or perform acts that are unpleasant to the party or deemed unpleasant objectively, e.g., harassment.

#### **6. Employment**

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##### **Urgent Requirements**

- Prepare an employment contract document that covers all matters to be stated as prescribed in laws and regulations in each country.
- Make the details of working conditions available in a language that the job seeker is able to understand and make them consistent with the content of the employment contract document.

##### **Requirements**

- Mandate temporary staffing firms and employment agencies to protect the rights of workers.
- Write the employment contract document in a language that employees can understand.
- Make employees sign the employment contract document voluntarily.
- Provide employees with a copy of the signed employment contract document.
- Do not forcibly make employees join a savings scheme.

- Provide persons who have been given a job offer with the education needed for work free of charge.
- Make the apprenticeship period before formal employment no longer than 6 months.
- Prepare a list of all employees who are hired.

## **7. Appropriate wages**

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### **Urgent Requirements**

- Create rules on wages and pay at least the minimum wage prescribed by laws and regulations in each country.
- Do not make deductions from wages that are not accepted under laws and regulations in each country.
- Pay wages on the predetermined payment date without delay.
- Do not treat anyone unfavorably in relation to wages on the grounds of nationality, gender, etc.

### **Requirements**

- Calculate wages in a transparent and objective manner.
- Provide a benefits package as mandated by laws and regulations in each country.
- Make employees take the initiative in remitting money to third parties.

## **8. Working Time and Rest Day**

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### **Urgent Requirements**

- Manage the number of working hours and working days so as not to exceed the limits prescribed by laws and regulations in each country.

### **Requirements**

- With respect to the number of days worked consecutively, do not breach the standard set by laws and regulations in each country.
- Make overtime work conditional upon agreement and subject to compensation without fail in accordance with laws and regulations in each country.

## III. Safety and Health

### 1. Preparation for and response to emergencies

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#### Urgent Requirements

- Create a manual for evacuation in the event of an emergency and fire and ensure that all employees are familiarize with it.
- Prepare emergency countermeasures to respond to illnesses and injuries that may arise in the course of work.
- The company bears medical expenses and insurance fee for illnesses and injuries attributable to work.
- Evacuation routes to the emergency exit are free of obstacles and the doors are unlocked.

#### Requirements

- The workplace (including break room and cafeteria) has multiple exits that enable evacuation.
- Conduct evacuation drills periodically.

### 2. Workplace environment

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#### Urgent Requirements

- Install a machine guard and an emergency stop function in manufacturing facilities and equipment, etc., perform daily maintenance and keep them in a normal operational state.
- Put in place appropriate illuminance, temperature, humidity, ventilation and hygiene facilities.
- Take measures to prevent falls when performing work in high places (at heights exceeding the level prescribed by laws and regulations in each country).
- Maintain Personal Protective Equipment and tools, etc., in good condition.
- Provide a hygienic working environment and water that is suitable for drinking.
- Take measures to prevent passive smoking in accordance with laws and regulations in each country.

#### Requirements

- Take appropriate measures to prevent illnesses and injuries due to work.
- Identify and assess major risks to prevent dangers and manage such risks effectively.
- Before and after the commencement of work, periodically conduct health and safety training, including the appropriate method of using tools, machinery and Personal Protective Equipment, in addition to work procedures.
- Preserve records after conducting health and safety training.
- If any illness or injury due to work has occurred, make efforts to analyze the cause and prevent its recurrence.

### **3. Dormitory / company housing**

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#### **Urgent Requirements**

- Do not restrict the entry/exit of residing employees.
- There are no obstacles in the routes to the emergency exit (i.e., doors, corridors, stairs).
- Emergency exit doors open and close smoothly and are unlocked.
- Make electricity, water and toilets required in daily life available.
- The building is safe and well-maintained.

#### **Requirements**

- There are multiple exits that enable safe evacuation.
- Put fire alarms in place.
- Put in place a sufficient number of units of fire extinguishing equipment, free of any obstacles in surrounding areas.
- Put in place heating/cooling equipment and ventilation systems that are appropriate for the region, and keep them in a normal operational state by undergoing maintenance.
- The location is completely separated from factories and manufacturing areas.
- When multiple persons are going to use the same room, put lockable personal lockers in place.
- Separate the dormitory/company housing between men and women, and respect the privacy rights.
- Prepare space and bedding that enable adequate rest.
- The dormitory/company housing is thoroughly cleaned and hygienic.

### **4. Physical and mental health of employees**

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#### **Urgent Requirements**

- Make an employee undergo a medical examination and mental health check and inform him/her of the results based on laws and regulations in each country.
- Put in place a system that enables employees to consult and receive guidance from medical professionals, etc., based on laws and regulations in each country.

#### **Requirements**

- Take appropriate measures for employees with any physical/mental disorder.
- Make efforts to take measures that help promote the physical and mental health of employees.

## IV. Environmental Consideration

### **1. Water, waste, greenhouse gas, energy, etc.**

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#### **Urgent Requirements**

- Comply with each country's laws and regulations related to water use, drainage, waste, and greenhouse gas emissions.
- Work on reducing greenhouse gas emissions.

#### **Requirements**

- Make efforts to minimize the use of plastics.
- Reduce energy consumption and endeavor to improve the efficiency of energy use.
- Implement ongoing improvements to mitigate the environmental burden.

### **2. Procurement of agricultural/livestock/marine products**

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#### **Urgent Requirements**

- Do not handle fish catch and raw materials caught by Illegal, Unreported and Unregulated (IUU) fishing.
- Do not handle fish catch and raw materials caught in fishing prohibited areas or marine protected areas.
- Do not handle marine products and raw materials farmed in conservation areas and habitats designated for conservation.
- Do not handle agricultural/livestock products involving the use of agrichemicals (pesticides)/antibiotics whose use is prohibited by laws and regulations in each country.
- Do not engage in the transformation of primary forests into areas for producing agricultural products or activities that lead to deforestation.

#### **Requirements**

- Ensure to identify the risk of depleting resources by ensuring the traceability of raw materials.
- Handle agricultural/livestock/marine products in which:
  - Drugs are not excessively used in the production process;
  - Efforts are made to prevent the impact on the ecosystem around production and business sites; and
  - Efforts are made to raise livestock and farmed fish under conditions in which consideration is given to their comfort.



まだ見ぬ、食の力を。

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Revised on December 2022