

Respect for Human Rights S

The S&B Foods Group recognizes that its business activities may have a direct or indirect impact on human rights, and has established the S&B Foods Group Human Rights Policy with the goal of respect for the human rights of all people involved in its business activities.

 Human Rights Policy
https://www.sbfoods-worldwide.com/discover/humanrights_policy.html

Human Rights Management System

Based on the S&B Foods Group Human Rights Policy, the Human Rights Group plays a central role promoting and raising awareness of company-wide respect for human rights and investigating and understanding human rights risks, in cooperation with the Compliance Group and the Sustainable Procurement Promotion Group. In addition, the Risk Management Committee conducts risk assessments, including those related to human rights.

Establishment of the S&B Hotline

The S&B Foods Group clearly prohibits all forms of harassment and strives to strengthen compliance through early detection, corrective measures, and measures to prevent recurrence. As part of these efforts, we have established the S&B Hotline, a consultation service for all corporate officers and employees of the Group. Through such initiatives, we will continue to work on building a corporate culture where employees can work with peace of mind.

Human Rights Considerations in Ingredient Procurement

Based on the Sustainable Procurement Commitment and the Basic Sustainability Purchasing Policy, S&B Foods promotes human rights initiatives for the supply chain.

As one of our efforts, we have conducted a questionnaire survey of ingredient suppliers, including of main spices for S&B Foods, regarding their human rights considerations and labor environment compliance status, in an effort to understand human rights issues. Especially for spices and palm oil, which are considered to have a high risk of child labor and forced labor, we are promoting communication with suppliers and producers regarding human rights risks.

Going forward, we will continue to promote human rights due diligence initiatives in cooperation with suppliers and various other stakeholders,

considering the establishment of mechanisms for proper evaluation and complaint handling throughout the supply chain, including verification of actual local conditions.



Human Rights Awareness-Raising Activities and Education for Corporate Officers and Employees

As part of education of corporate officers and employees related to raising awareness on human rights, we invited an outside expert to hold a lecture on the topic of “Business and Human Rights” in May 2024. At the lecture, a variety of questions were asked and there was a diverse exchange of opinions, mainly

among the management level, to deepen understanding of human rights. The content of this lecture was also made available to all Group members on our intranet to help employees understand and disseminate this information.

Expert Dialogue: Toward Sustainable Corporate Activities that Respect Human Rights

In May 2024, S&B Foods invited Ms. Maiko Shiozaki, CEO of Fairtrade Label Japan, a non-profit organization with expertise in business and human rights, to discuss human rights issues not only within the scope of S&B Foods’ own business but also from a broader perspective. Alongside Tomohito Miura, officer in charge of the Sustainable Procurement Promotion Group of S&B Foods, the two held a discussion on the theme of approaches to human rights in sustainable ingredient procurement.



Approaches to Human Rights in Sustainable Ingredient Procurement

Miura: S&B Foods signed and joined the United Nations Global Compact in 2022 and is working daily to realize sustainable ingredient procurement. In addition, when visiting overseas production areas, we try to provide opportunities for direct communication with local producers as much as possible. In particular, in the procurement of spices, we place importance on communication and building relationships of trust with suppliers and producers, and we believe that fair trade, which we have been involved in since 2009, is an essential element of sustainable procurement.

Shiozaki: Recently, communication with local communities has been increasingly adopted as a form of stakeholder



engagement from the perspective of human rights due diligence, and I think it is an excellent idea that your company has been involved in fair trade for many years and emphasizes communication.

Miura: When a human rights issue arises in a company’s supply chain, companies are required to make difficult decisions on how to address the business dealings in

question. If we take emerging nations as an example, what kind of response is preferable here?

Shiozaki: In transactions with emerging countries, we recommend that termination of transactions be considered a last resort, as it is highly likely to accelerate poverty and trigger a vicious cycle. We believe it is important for you to communicate with the local community and disclose your company’s support measures.

Miura: Of course. We will strive to have a common understanding with suppliers and producers to resolve issues so that we can move forward together in the same direction toward the future.

Shiozaki: Poverty in developing countries often comes amid a context of human rights issues. It is also directly influenced by the effects of climate change, a factor that affects the livelihood of producers. Fair trade is also working to support these measures, and I think it is very significant that your company values communication with suppliers and producers, and is engaged in activities to help resolve these issues through sustainable trade.

