

Soybean Procurement Guidelines

Mitsubishi Corporation (hereinafter “MC”) works to ensure sustainable supply chains by setting forth the following issues as part of its Materiality, which are a set of crucial societal issues to be addressed through our business activities: “Promoting Stable, Sustainable Societies and Lifestyles”, “Conserving and Effectively Utilizing Natural Capital” and “Respecting Human Rights in Our Business Operations”.

Forests are increasingly gaining attention from the perspectives of tackling climate change and maintaining and restoring biodiversity. Against this backdrop, there is a growing demand for action to prevent deforestation in the course of expanding agricultural land for soybeans. In addition, social issues are also coming to the forefront, such as the risk of violations of the human rights of indigenous peoples and workers as a result of large-scale agricultural land clearing.

In light of this external environment, by establishing these "Soybean Procurement Guidelines" as a policy for addressing environmental and social issues within the soybean supply chain, MC conveys its fundamental perspective to its suppliers around the world and take steps to address the following.

■ MC Group Basic Policy

1. Aim for a deforestation-free soybean supply chain.
2. No procurement of soybeans that are produced on farmland cleared by illegal deforestation.
3. No procurement of soybeans that are connected to human rights violations such as child labor and forced labor.
4. Respect the rights of indigenous peoples and local communities in soybean producing areas.
5. Work to establish mechanisms to ensure that deforestation and human rights violations have not occurred in the areas where soybeans are procured.
6. Cooperate and collaborate with various stakeholders such as suppliers, industry associations and third-party organizations to achieve the above.

■ MC Group Specific Initiatives

1. Conduct human rights and environmental due diligence on the MC Group's supply

chain (via the Sustainable Supply Chain Survey) on a regular basis, assess supplier risks and promote corrective actions if necessary.

2. Leverage our Grievance Mechanism, a contact point for consultations from external stakeholders, to identify environmental and social issues in a timely and appropriate manner, and work to prevent and mitigate them.
3. Undertake individual measures as necessary, especially in regions where environmental and social factors require special consideration in the soybean supply chain (see "Specific Initiatives in Agrex do Brasil" below).

■ Specific Initiatives at Agrex do Brasil

Brazil is a major producer of soybeans and has a rich ecosystem including forests, and we recognize it as a region that requires special consideration regarding deforestation associated with the expansion of agricultural land. MC is engaged in the grain-related business in Brazil through its 100% subsidiary Agrex do Brasil, which undertakes the following initiatives for sustainable soybean procurement.

1. In purchasing directly from farmers, traceability is to be ensured, and in accordance with the regulations of the Soybean Moratorium (Moratória da Soja^(*)), the industry guideline for soybeans in the country, soybeans are not to be procured from the following regions and suppliers.
 - a. Regions included in the annual list prepared by the secretariat of the Moratória da Soja as regions where deforestation has taken place in the Amazon biome since July 22, 2008
 - b. Regions designated as embargoed areas by the Brazilian Institute of Environment and the Renewable Natural Resources (IBAMA) or by state governments for violations of environmental laws and regulations
 - c. Suppliers included in the slave labor list published by the Brazilian Labor Inspection Secretariat (Secretaria de Inspeção do Trabalho)
- (*)An industry initiative to ban the trade of soybeans produced on deforested land rested in the Amazon Biome after July 22, 2008. Participating companies are required to undergo periodic third-party audits to ensure that soybean trade activities in the Amazon Biome and management systems are in line with the initiative's guidelines.
2. In purchasing indirectly through intermediaries, Agrex do Brasil requires in the contract that the intermediaries comply with the Soybean Moratorium and environmental laws and regulations, as well as to not procure from suppliers included in the above slave labor list. In addition, Agrex do Brasil encourages suppliers who have not yet joined the Soybean Moratorium to do so.

3. As a procurement target, Agrex do Brasil aims to achieves the following in direct purchases from farmers.
 - a. 100% soybean traceability to farm
 - b. 100% soybeans procured in accordance with the regulations of the Soybean Moratorium