Miki Shoko Policy on Migrant Worker for Suppliers

Miki Shoko (including Group companies) has established this policy, based on "Policy on Human Rights," "CSR Procurement Policy," and "Code of Conduct for Suppliers," in order to indicate our policy regarding the employment of migrant workers as a part of our efforts to create an environment in which all workers manufacturing of our products in Japan and overseas can vibrantly work.

For the purpose of this policy, migrant workers (foreign workers, domestic migrant workers, etc.) refer to "individuals who move from the country of origin to another or beyond a jurisdictional region in a country for the purpose of securing a job."

This policy applies to all migrant workers employed by suppliers, and all suppliers are required to act in compliance with this policy in relation to the employment of all migrant workers manufacturing our products.

Migrant workers are said to be exposed to a relatively high risk of being placed under forced labor or modern slavery on such grounds as unethical practices in the hiring and employment processes, language barriers in workplace communication, and unique nature of moving between different countries or regions.

This policy conveys our company's thoughts to our stakeholders, especially to our suppliers, on the responsible actions companies should take based on international standards and guidelines concerning the vulnerability related to the hiring and employment of migrant workers.

Suppliers are required to strive to comply with the following concerning the responsible employment of migrant workers.

1. Definitions and subjects

The definition of "migrant workers" above shall apply to this policy as well as Miki Shoko's "Policy on Human Rights for Suppliers," "CSR Procurement Policy," "Code of Conduct for Suppliers" and "Supplier Standards."

2. Fairness and transparency in employment contracts

An individual or organization which mediates employment between a supplier and migrant workers shall perform each process of recruiting, screening, hiring, training and employing based on the principle of mutual agreement with the worker. In order for the migrant workers to correctly understand the details of the contract and work conditions (work duties, workplace, working hours, wages, etc.) before concluding the contract, the employment contract and notice of work conditions must be prepared in a language which the worker can understand, and a copy of such documents must be provided to the worker. In this process, the other documents that stipulate the work conditions (work rules, human resources regulations, wage regulations, labor law and guidelines in the country or region of employment, etc.) should also be prepared in a language which the worker understands, and by giving a verbal explanation prior to concluding the contract, consideration should be given to avoiding any misunderstanding after conclusion of the contract.

Moreover, such rules and regulations written in a language which the immigrant worker understands must be kept in the workplace and dormitory so that they are available for confirmation by the immigrant worker at any time.

3. Minimization of cost beared by migrant workers in recruitment and employment processes

Supplies shall, with respect to any costs in their processes of employing migrant workers, endeavor to minimize such cost that is borne by workers. Additionally, in cases where any individual or organization is involved as an agency in an employment process, Suppliers shall request them for the cooperation for such purpose.

4. No discrimination and appropriate treatment

Suppliers shall not discriminate between migrant workers and other workers on the basis of race, religion, age, nationality, sexual orientation, gender, political opinion, pregnancy, marriage, or disability. Suppliers shall guarantee appropriate treatment of such workers in regard to any aspect of employment practices, including granting of annual paid leave, application of employee benefits, and payment of proper wages that are provided under employment rules. Wages for migrant workers shall be paid on time by cash or bank transfer. For the avoidance of doubt, in case of cash payment, Suppliers shall obtain dated confirmation stamps or signatures from the workers upon payment, issue wage statements and provide its copy to the workers.

5. Freedom of movement

Suppliers shall guarantee that, unless when unavoidable for a purpose of operation or employment process, any documents of migrant workers (such as passport and identification) will be possessed and stored by the migrant workers themselves. For the avoidance of doubt, in the event of suppliers performing any visa related procedure, suppliers shall obtain written consent by the applicable migrant workers for the supplier to temporarily hold, responsibly store and return such document to the applicable migrant workers upon completion of the process.

Suppliers, as employers, are required to approve any temporary homecoming or travelling of migrant workers on their annual paid leave or extended leave, unless there are compelling reasons to do otherwise.

Additionally, suppliers shall acknowledge the freedom to choose an occupation of migrant workers and respect their rights. Especially in country/region where the freedom to choose an employment (change jobs) is not fully granted, suppliers shall support exercise of such rights by implementing appropriate measures.

6. Access to remedy and labor-management communication

Suppliers shall, by official and unofficial means, implement measures to ensure smooth communications with their migrant workers.

Additionally, Suppliers are required to, in consideration of possible disturbance to internal communication, ensure that legal remedies and trustworthy grievance mechanism are accessible by migrant workers without fear of retaliation, punishment, dismissal or deportation.

7. Labor union and union representative

Suppliers shall introduce migrant workers to the representative of their labor union or representative of their workers upon commencement of the employment contract of migrant workers, and hold opportunities to explain workers' rights in the country or region where the suppliers are operating their businesses. Supplier must endeavor to guarantee that any materials used for such explanation and procedures to exercise such rights are available in the languages understood by the migrant workers.

For clarity, the decisions as to whether or not to join such labor union, and whether or not to participate in election of labor representatives shall always be left up to the workers themselves.

8. Hygienic and safe accommodation

Suppliers shall prepare housing regulations and make them available in languages understood by the migrant workers. Additionally, dormitory and housing shall be clean, safe and have appropriate space for living. Wi-Fi shall also be provided as a part of generally basic infrastructure.

9. Safe return

Suppliers shall, upon expiry of employment contract of migrant workers, or in the event of early termination of contract for some reason (except for those due to significantly wrongful or illegal acts by the migrant workers themselves), make arrangements of and pay for the trip for the migrant workers to return to their country, in cooperation with related organizations. However, with respect to temporary homecoming trip that migrant workers wish to make, suppliers shall make re-entry and flight arrangements in cooperation with appropriate organizations, though the travel cost shall be borne by the migrant workers themselves.