

Sustainable Procurement Guidelines

Ver. 1.0

Nagase ChemteX Corporation

Basic Approach to Supply Chain Management at Nagase ChemteX Corporation

Nagase ChemteX Corporation (“Nagase ChemteX”) carries out activities under the NAGASE Group Sustainability Basic Policy. Addressing issues related to sustainability leads to the highest standards of integrity that the NAGASE Group pursues as its management philosophy and the society that we seek to realize in our vision for the future. We believe that continuing to carry out corporate activities that contribute to solving social and environmental issues enables sustainable growth, and thus we make proactive efforts in this regard.

With respect to supply chain management, we have established the Nagase ChemteX Corporation Sustainable Procurement Guidelines under the framework of the [NAGASE Group Supply Chain Management Policy](#). In addition, we are making every effort to fulfill our responsibilities across the entire supply chain and are actively promoting sustainable procurement activities.

Sustainable Procurement Guidelines

These Guidelines have been established with initiatives that should be pursued for Nagase ChemteX and our business partners to achieve sustainable growth and to fulfill our social responsibilities together.

All Nagase ChemteX executives and employees will make every effort to fulfill their responsibilities across the supply chain in compliance with these Nagase ChemteX Corporation Sustainable Procurement Guidelines (these “**Guidelines**”). Nagase ChemteX considers these Guidelines to be an important factor in transactions, and aims to periodically check the statuses of initiatives. We ask our business partners and all other people who may be directly involved in our businesses, products, or services to read and understand these Guidelines and pursue initiatives accordingly.

1. Corporate Governance in Relation to CSR	3
2. Human Rights and Labor	4
3. Environmental Conservation	6
4. Fair Corporate Activities	7
5. Quality, Safety, and Traceability	9
6. Information Security	10
7. Supply Chain	11
8. Coexistence with Local Communities	12
9. Related Documents	13
10. Revision History	14

1. Corporate Governance in Relation to CSR

We will comply with applicable laws and regulations in each country and region, and we will engage in corporate activities with integrity and fairness in compliance with social norms.

1-1. Sound corporate management

We will internally develop management structures and systems to ensure effective and efficient corporate operations; reliable financial reports; compliance with laws and regulations related to business operations; and asset safety. We will build organizations and structures for healthy business administration.

1-1. Accountability and information disclosure

We recognize our accountability to society and stakeholders, and we will appropriately disclose financial information and non-financial information both internally and externally.

2. Human Rights and Labor

We support and respect the protection of human rights in accordance with international declarations, and we will engage in initiatives so that our activities do not violate human rights, whether directly or indirectly. Should we identify any adverse impacts on human rights, we will make every effort to remedy and/or remediate such impacts by immediately implementing appropriate countermeasures.

2-1. Prohibition of forced labor

We will ensure that all labor is carried out on a voluntary basis and that employees have the right to end their employment based on their own will and judgment.

2-2. Prohibition of child labor

We will not employ children who are under the statutory working age within the countries and regions where we conduct business activities.

2-3. Prevention of unfairly low wages

In compliance with the statutory minimum wages within the countries and regions where we conduct business activities, we will strive to pay, at minimum, a living wage, and we will not make any unreasonable deductions from wages.

2-4. Elimination of discrimination and harassment

We do not discriminate on the basis of race, creed, sex, sexual orientation, gender identity, age, religious beliefs, nationality, language, physical characteristics, disability, economic status, or place of origin under any circumstances. We will not engage in any act of harassment that negatively impacts the dignity or character of individuals, such as workplace bullying, sexual harassment, or discrimination relating to maternity leave, under any circumstances.

In addition, we will not engage in acts that unreasonably limit the freedom of employees (e.g., keeping hold of identity documents such as passports, work permits, or residence cards), and we will enforce acting fairly with respect for dignity and rights.

2-5. Prohibition of discrimination in employment

We do not tolerate any form of discrimination in employment and are committed to providing equal opportunities.

We ensure fairness and provide reasonable accommodations in all employment practices, including hiring, wages, promotions, assignments, demotions, human resource development, and career development.

2-6. Fairness in working hours, leave, and paid leave

We will comply with the working hours stipulated in the laws and regulations of the countries and regions where we conduct business activities. We also grant workers the right to obtain paid leave.

2-7. Respect for religious traditions and customs in the countries and regions where we conduct business activities

We will respect the traditions and customs of the countries and regions where we conduct business activities as well as the religious traditions and customs of employees, and we will act thoughtfully to avoid hindering these traditions and customs.

2-8. Employee health and safety, and appropriate health management

We will strive to maintain a safe and healthy working environment by identifying and managing risks, such as occupational accidents, exposure to hazardous chemicals, noise, and unpleasant odors. We will also implement measures to foster a workplace that prevents mental health issues and supports the psychological well-being of our employees.

2-9. Protection of freedom of association and collective bargaining

We will support freedom of association and the right to collective bargaining, and we will build up positive labor-management relations.

3. Environmental Conservation

By identifying the degree of the environmental impacts of our business activities, we will work to reduce the burdens on the environment and natural resources in our supply chain.

3-1. Management of hazardous chemicals

We will comply with prohibitions and restrictions on the use of specific substances in our products based on the standards stipulated in laws, regulations, and other rules.

3-2. Management and reduction of wastewater, sludge, and exhaust emissions

We will set voluntary targets that meet or exceed the standards stipulated in laws and regulations regarding substances with environmental impacts discharged into the atmosphere, water, or soil. We will strive to reduce the generation of such substances.

3-3. Sustainable and efficient use of resources (including energy, water, and raw materials)

We will set voluntary targets for the use of resources, including energy, water, and raw materials, and we will strive to use them effectively.

3-4. Reduction of greenhouse gas (GHG) emissions

In our actions to prevent climate change and global warming, we will proactively implement initiatives to reduce emissions of CO₂, methane, CFCs, and other greenhouse gases.

3-5. Biodiversity

We will consider the direct and indirect impacts of business activities on ecosystems, and we will implement initiatives to conserve biodiversity.

4. Fair Corporate Activities

We will comply with all applicable laws and regulations in each country and region where we conduct business activities, and we will thoroughly ensure fair trade and implement anti-corruption measures.

4-1. Building of appropriate relationships with local government entities and public officials within Japan and other countries where we conduct business activities

To prevent corruption, we will maintain healthy relationships and will not engage in benefit sharing with the objective of obtaining favorable treatment from local government entities or public officials within Japan or other countries where we conduct business activities.

4-2. Prevention of the provision and receipt of inappropriate benefits to or from customers and other business partners in sales, purchases, and other activities

We will maintain healthy relationships, will not give or receive excessive gifts or entertainment, and will not engage in collusion with customers or other business partners in sales, purchases, and other activities.

4-3. Prevention of violation of competition laws in sales and other activities

We will prevent collusion, cartels, the abuse of dominant positions, and other forms of improper transactions.

4-4. Elimination of relationships with organized crime and anti-social forces

We will not have any form of relationship or engage in benefit sharing with organized crime, which exerts a harmful influence on the social order and healthy corporate activities through fraud, extortion, money laundering, bribery, narcotics, terrorism, and other activities, nor with individuals or groups suspected of being involved in such activities.

4-5. Prevention of unauthorized use of third-party intellectual property and illegal reproduction of copyrighted works

We will respect the intellectual property rights of other companies, including patents, copyrights, trademarks, and other forms of intellectual property, and will take appropriate measures to prevent unauthorized use.

4-6. Prohibition of insider trading

We will not engage in insider trading such as buying or selling shares using unpublished business information obtained internally or externally through business, or any other acts that may be suspected as such.

4-7. Establishment of a business continuity planning (BCP) framework

We will strive to establish and maintain a business continuity plan that anticipates crises and emergencies affecting the continuity of our business activities and ensures the rapid restoration of core operations should such events occur.

4-8. Establishment of a whistleblowing system

We will establish a whistleblowing system that enables all employees and business partners to confidentially and anonymously report legal violations or business-related concerns. We will strictly protect the confidentiality of reports and the privacy of whistleblowers and will prohibit any retaliation, including dismissal, intimidation, or harassment. Upon receiving a report, we will conduct appropriate investigations and take corrective actions, as necessary. We will also provide employees with regular training and communication to ensure awareness and proper use of the system.

4-9. External contact points for complaints and inquiries

We will establish a system that enables relevant external parties who have knowledge of serious risks to directly report or consult with a dedicated internal division or an external contact point. We will take appropriate measures to protect the confidentiality of such communications and the rights of the reporting party, while responding in a manner that prevents any disadvantageous treatment.

5. Quality, Safety, and Traceability

We will ensure the quality and safety of the products and services that we provide, and we will provide accurate information about these products and services.

5-1. Ensuring quality and safety in products and services

We will provide products and services that meet the safety standards prescribed by laws and regulations in the countries and regions where we conduct business activities as well as quality standards that have been specified in advance.

5-2. Appropriate response to product or service incidents and to the distribution of defective products

If an incident occurs in relation to our products and services or if we distribute defective products, we will swiftly disclose information, contact the relevant authorities, recall the affected products, and then establish a system for safety measures at the supply locations.

6. Information Security

We will establish measures and a system for addressing computer and network threats, and we will strive to strengthen our information security, including protection and management to prevent leakage of personal and confidential information.

6-1. Protection of computer networks against cyberattacks

We will implement up-to-date security measures and enforce strict controls to defend against cyberattacks and prevent both internal and external data breaches. We will conduct regular audits and provide ongoing employee training to protect our information assets.

6-2. Management of confidential and personal information with a focus on privacy protection

We will appropriately manage and protect confidential and personal information related to customers, business partners, employees, and our company to prevent leakage and improper use.

7. Supply Chain

We will promote sustainable procurement to minimize environmental impacts across the entire supply chain and to ensure ethical labor practices. We will cooperate with all partners, placing high value on transparency and accountability.

7-1. Basic approach to the supply chain

We will focus on fulfilling social responsibilities, not just at our own company but across the entire supply chain. We will strive to inform our business partners about and promote understanding of the significance of sustainable procurement.

7-2. Use of raw materials free from conflict and criminal involvement (commitment to responsible mineral sourcing)

We will not procure gold (Au), tantalum (Ta), tungsten (W), tin (Sn), cobalt (Co), mica, or other minerals and raw materials from conflict-affected regions or suppliers associated with armed groups or human rights violations.

8. Coexistence with Local Communities

We will actively pursue social contribution activities through our business activities.

8-1. Initiatives to support and collaborate with local communities and residents toward sustainable development

We will respect the unique cultures and histories of the peoples (including indigenous peoples) in the local communities where we conduct business operations. We will also protect land rights and conduct business operations responsibly.

To protect the health, safety, and hygiene of local communities and residents, we will build trust by managing environmental discharges from plants and offices, implementing accident prevention measures, strengthening disaster response systems, and participating in local events.

9. Related Documents

9-1. NAGASE Group policies

Sustainability Basic Policy

<https://www.nagase.co.jp/english/sustainability/about/>

Basic Human Rights Policy

<https://www.nagase.co.jp/english/sustainability/social/human-rights/>

Supply Chain Management Policy

<https://www.nagase.co.jp/english/sustainability/supplychain/>

9-2. Reference materials

Universal Declaration of Human Rights (United Nations)

<https://www.un.org/en/about-us/universal-declaration-of-human-rights>

ILO International Labour Standards (International Labour Organization; ILO)

<https://www.ilo.org/international-labour-standards>

OECD Guidelines for Multinational Enterprises (Organisation for Economic Co-operation and Development; OECD)

<https://mneguidelines.oecd.org/>

UN Global Compact

<https://unglobalcompact.org>

RBA Code of Conduct (RBA: Responsible Business Alliance)

<https://www.responsiblebusiness.org/code-of-conduct/>

JEITA Responsible Business Conduct Guidelines (JEITA: Japan Electronics and Information Technology Industries Association) [in Japanese]

<https://www.jeita.or.jp/cgi-bin/public/detail.cgi?id=769&cateid=1>

10. Revision History

No.	Date of revision	Details of revision
V1.0	June 2025	First edition (Corporate Sustainability Office)
		End of document