

Nippon Soda Group
Sustainable Procurement Guidelines
Version.1

February 21, 2025
Nippon Soda Co., Ltd.

Introduction:

Nippon Soda Group's mission is to "Create new value through the power of chemistry and increase corporate value by contributing to society". We aim to achieve sustainable growth by promoting management that balances improvement both in corporate value and social value.

To achieve sustainable growth, it is important to appropriately recognize the impact of business operations on the international community and global environment, and strategically and actively work towards solving social issues throughout the entire supply chain.

We believe that collaboration with our valued suppliers is essential to promote these efforts. We have formulated "Nippon Soda Group Sustainable Procurement Guidelines", which summarizes the Group's policies and values, to deepen mutual understanding and aim for further building of trust through constructive dialogue with you.

We kindly request that you, our valued suppliers, understand these guidelines, incorporate them into your business activities, and cooperate with us in working towards further improvement.

The guidelines are based on the ten principles and four areas — "Human Rights," "Labor," "Environment," and "Anti-Corruption" — as advocated by the UN Global Compact, and we plan to revise them as needed in response to changing societal demands.

February 21, 2025

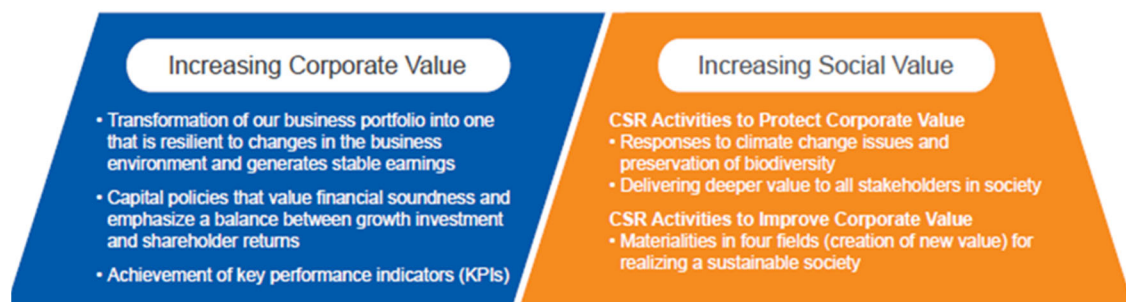
Eiji Aga

Representative Director, President
Nippon Soda Co., Ltd.

Sustainability Policy

The Nippon Soda Group's mission is to "create new value through the power of chemistry and increase corporate value by contributing to society." We will contribute to society by providing the products and services demanded by our stakeholders and the social environment.

We believe that in order for the Nippon Soda Group to fulfill its mission and achieve sustainable growth, it is important to practice management that focuses on increasing both its corporate value and its social value. To increase our social value, we will promote two main initiatives: CSR Activities to Protect Corporate Value and CSR Activities to Improve Corporate Value.



CSR Activities to Protect Corporate Value		CSR Activities to Improve Corporate Value	
As a corporate organization that lives up to the trust of society, we will address three key issues: Initiatives for the Environment, Social Activities, and Governance.		Aiming for the realization of a sustainable society, we are working on material issues in four fields: Agriculture, Healthcare, Environment, and ICT.	
Initiatives for the Environment	<ul style="list-style-type: none"> - Tackling climate change - Tackling the preservation of biodiversity 	Agriculture	Securing food and achieving sustainable agriculture <ul style="list-style-type: none"> - Contribution to the global supply of food - Diversification of crop protection - Streamlining and improving labor efficiency in farming production
Social Activities	<ul style="list-style-type: none"> - Promoting dialogue with consumers, business partners, and local communities - Promoting diversity, work-life balance, and career programs - Conducting constructive dialogue with shareholders and investors and disclosing information in a timely and appropriate manner 	Healthcare	Healthy lives to all people <ul style="list-style-type: none"> - Support services for high-performance products and formulation technologies
Governance	<ul style="list-style-type: none"> - Enhancing corporate governance - Promoting compliance management 	Environment	Toward a resource recycling society <ul style="list-style-type: none"> - Steady supply of water resources - Reduction of environmental burden caused by waste Achieving sustainable plant protection <ul style="list-style-type: none"> - Protection of precious trees, such as pines, from harmful insects
* As a manufacturer of chemical products, the Group's Responsible Care (RC) activities form the foundation of its CSR activities.		ICT	Applying the functionality of chemicals to IT devices <ul style="list-style-type: none"> - Supply of high-performance materials that are friendly to the environment and people

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Nippon Soda Group Sustainable Procurement Guidelines

1. Compliance and Laws/ Ordinances and Corporate Ethics

- (1) We will strive to conduct sound procurement activities while complying with all applicable laws, ordinances, and corporate ethics.
- (2) If any suspicion arises that procurement activities may violate laws, ordinances and corporate ethics, we will promptly take corrective action and make every effort to prevent recurrence and ensure strict handling of the matter.

2. Anti-corruption

- (1) We prohibit all forms of corruption, including bribery, graft and any relationships with anti-social forces.
- (2) We will not engage in the improper provision or receipt of benefits to or from domestic or foreign public officials, government-related individuals, or business partners.

3. Fair and Impartial Transactions

- (1) When selecting suppliers, we will fairly compare quality, prices, time of delivery, technical capabilities, and stable supply capability, among other factors, to determine the optimal business partners.
- (2) We will not engage in any practices that disadvantage suppliers, such as abuse of predominant positions.

4. Protection of Intellectual Property Rights

- (1) We respect the intellectual property rights of third parties and will not engage in any actions that infringe upon them.
- (2) We will appropriately manage the company's intellectual property and strive to preserve its rights.

5. Information Security

- (1) We will implement defensive measures against computer and network threats, and strive to manage our systems to prevent harm to both our company and others.
- (2) We prohibit the intentional disclosure of confidential information received from customers or third parties to external parties, as well as the use of such information for purposes other than business operations.

6. Conflict Minerals

- (1) We strive to avoid using minerals involved in conflicts and inhumane activities, and raw materials containing conflict minerals.
- (2) We will continuously monitor information regarding conflict minerals and take corrective measures as necessary.

7. Internal Control

- (1) We will promote and operate the appropriate internal control to ensure the appropriateness and efficiency of operations, the reliability of financial reporting, and compliance with laws, ordinances and regulations.
- (2) To maintain business activities trusted by society, we will strive to engage in Corporate Social Responsibility (CSR) activities.

8. Reporting System

- (1) To detect and correct misconduct and legal violations early, we have established an internal reporting system that maintains anonymity. We will not subject anyone to unfavorable treatment for making a report through this system.
- (2) We aim to build a system to prevent misconduct and legal violations throughout our supply chain.

9. Prohibition of Insider Trading

- (1) If we become aware of non-public information, we will not trade in the shares or bonds of the company concerned before such information is made public.
- (2) We will conduct education and awareness activities to prevent insider trading.

10. Prohibition of Conflict of Interest

- (1) We will not engage in activities that create conflicts of interest with the company.
- (2) Without the company's permission, we will neither work for competitors or business partners, nor have pecuniary relationships with them.

11. Environmental Management System (EMS)

- (1) We will implement an environmental management system and strive for its continuous improvement.
- (2) We will set environmental protection targets and strive to review them regularly.

12. Climate Change Measures

- (1) We will work to quantify and grasp greenhouse gas emissions, set reduction targets, and achieve those targets.
- (2) We will promote energy efficiency improvements and the use of renewable energy to reduce greenhouse gas emissions.

13. Effective Use of Resources

- (1) To raise environmental awareness and coexist with the global environment, we will strive to improve resource conservation, energy efficiency, and recycling.
- (2) We will implement efficient use and proper management of water resources.

14. Chemical Substance Management

- (1) We will properly manage chemical substances and minimize their impact on the environment.
- (2) If any violations of chemical substances management are discovered, we will promptly report them to the relevant authorities and take corrective action.

15. Conservation of Atmosphere, Water, and Soil

- (1) We will strive to prevent air pollution, water pollution, and soil contamination.
- (2) We will comply with environmental laws, ordinances, and regulations, and take necessary measures.

16. Preservation of Biodiversity

- (1) We will strive to understand the relationship between our business activities and biodiversity, and make efforts to minimize our impact on ecosystems.
- (2) We will comply with biodiversity-related treaties and laws, and take necessary measures.

17. Waste Reduction

- (1) We will promote the reduction of waste generation and recycling, and aim to decrease the amount of final disposal.
- (2) We will comply with waste management, laws ordinances, and regulations, and take necessary measures.

18. Ensuring Quality and Safety

- (1) We will always pay attention to product quality and safety, comply with product safety laws, ordinances, and regulations, and aim for higher levels of safety.
- (2) When we receive information regarding product safety, we will immediately verify the facts. If a problem is identified, we will respond appropriately to investigate the cause and prevent recurrence.

19. Ensuring Business Continuity

- (1) We will promote the establishment of systems and measures for business continuity in anticipation of crises that could cause severe damage, such as natural disasters.
- (2) We will regularly review the measures related to business continuity and pursue continuous assessment and improvement to enhance their effectiveness.

20. Collaboration with Stakeholders

- (1) We will promote dialogue and collaboration with stakeholders in our environmental protection activities.
- (2) We will work to reduce environmental impact throughout the entire supply chain.

21. Prohibition of Forced Labor

- (1) We prohibit all forms of forced labor and respect the free will of our employees.
- (2) We prohibit the retention of identification documents and the imposition of unreasonable restrictions on movement.

22. Prohibition of Child Labor

- (1) We prohibit child labor below the minimum working age.
- (2) We will not engage workers under 18 years of age in night shifts, overtime, or any work that may compromise their health or safety.

23. Prohibition of Discrimination

- (1) We will eliminate discrimination in employment and treatment, respect individual personality and character, and strive to build diverse personnel and employment systems and improve working conditions that allow people to experience comfort and richness.

- (2) We will not engage in any unreasonable discrimination based on birth, nationality, race, ethnicity, creed, religion, gender, age, physical disability, personal preference, or other factors.

24. Prohibition of Harassment

- (1) We prohibit any form of harassment or behavior that could be perceived as harassment by others.
- (2) We will regularly conduct education and awareness activities on harassment prevention.

25. Respect for the Workers' Right to Collective Bargaining

- (1) We will comply with and respect local laws, ordinances, and regulations regarding the workers' right to collective bargaining.
- (2) We will not interfere with labor union activities and will strive to improve labor-management relations through constructive dialogue.

26. Appropriate Management of Wages and Working Hours

- (1) We will pay wages above the legal minimum wage and strive to ensure a living wage.
- (2) We will comply with regulations regarding working hours, and prevent excessive overtime.

27. Ensuring Occupational Safety and Health

- (1) We prioritize ensuring workplace safety and health, and comply with laws, ordinances, and regulations related to occupational safety and health in the operations.
- (2) We will conduct regular occupational safety and health education to raise employee awareness.

28. Contribution to Society and Local Communities

- (1) We will recognize our role as a member of the local community, actively participate in social contribution activities, and contribute to the development of society.
- (2) Through dialogue with local stakeholders, we will identify community needs and respond appropriately.

29. Protection of Privacy

- (1) We will use employees' personal information obtained through our business operations only for the specified purposes.
- (2) We will comply with applicable laws, ordinances, and regulations in the collection, use, and provision of employees' personal information.

<p>Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.</p>
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