



Group Sustainability Guidelines

(2nd edition)

April 1, 2026

Ningbo Daxie Development Zone Soken Chemical Co., Ltd.

Introduction

By confronting global environmental and social issues, building relationships of trust and cooperation with all of our stakeholders, and continuing to provide innovative technologies, products, and services that benefit society, the our Group's basic policy is to enhance social and economic value and contribute to the realization of a sustainable society.

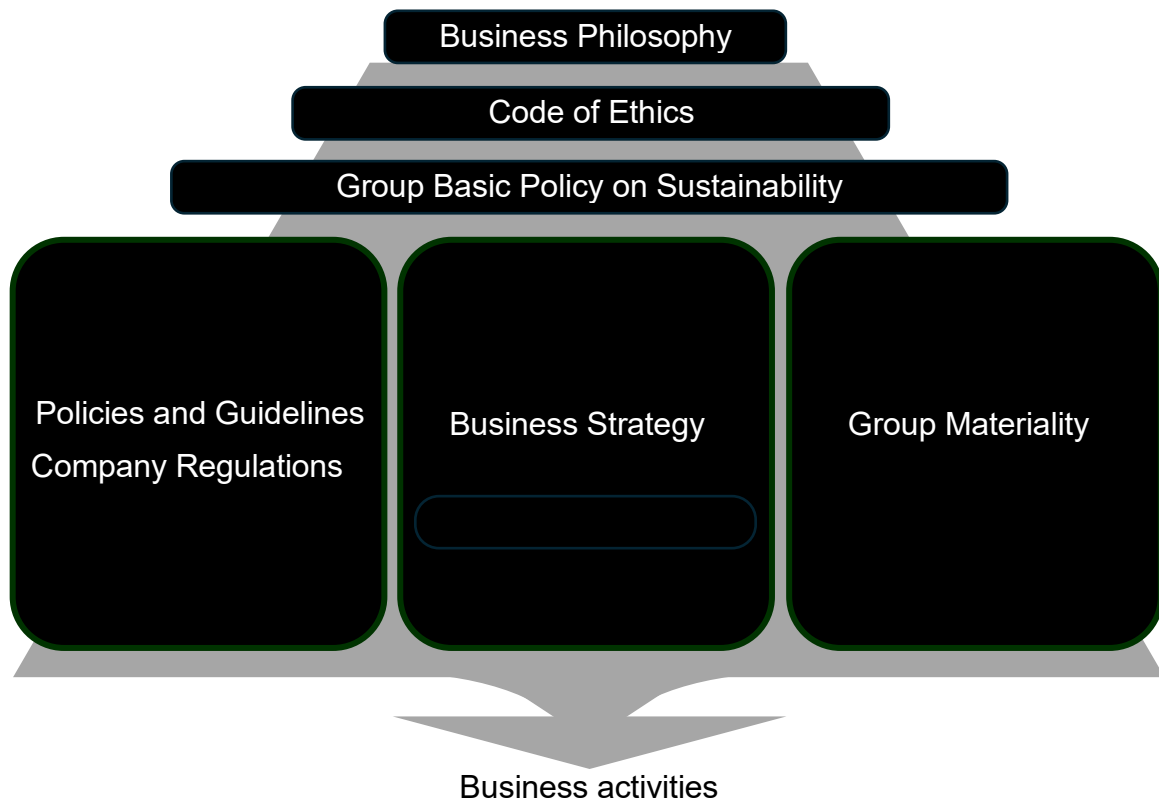
Recent social trends have seen an increase in social issues such as the environment, human rights and labor, health and safety, and fair trade, and companies are expected to address these issues throughout their supply chains.

In order to respond to such social demands, these guidelines summarize the items that suppliers and our Group will work together to address.

These guidelines are guidelines that our Group must adhere to in order to meet these social demands. They are also guidelines that we, the Group, expect all of our business partners to adhere to.

We ask that you read and understand these guidelines, and that you work with our Group to promote initiatives in accordance with these guidelines.

Positioning of the Group Basic Policy on Sustainability



Basic Policy on Sustainability

By confronting global environmental and social issues, building relationships of trust and cooperation with all of our stakeholders, and continuing to provide innovative technologies, products, and services that benefit society, the Soken Chemical & Engineering Group will enhance social and economic value and contribute to the realization of a sustainable society.

- Contribute to reduced environmental impact through business activities intended to preserve the global environment
- Respect all human rights and eliminate all manner of human rights violations
- Develop a sustainable supply chain that fulfills its social responsibilities and earns the trust of society
- Build appropriate collaborative relationships with stakeholders, and engage in honest, fair corporate activities
- Realize work environments that prioritize safety above all else and in which diverse human resources can play an active role
- Promote the "development of human resources" who think and act with integrity and independence, and who undertake the challenge of value creation
- Enhance the effectiveness of the governance system by ensuring the soundness and transparency of management
- Create new growth opportunities by establishing a risk management system that corresponds to the business environment

The following standards were used as a reference when formulating these guidelines. Furthermore, these guidelines will be continually revised in response to revisions to each standard and changes in social conditions.

- Japan Electronics and Information Technology Industries Association (JEITA) "Responsible corporate behavior guidelines"
- United Nations "International Bill of Human Rights (Universal Declaration of Human Rights / Optional Protocols to the International Covenant on Human Rights (International Covenant on Economic, Social and Cultural Rights/International Covenant on Civil and Political Rights))"
- ILO Declaration on Fundamental Principles and Rights at Work
- United Nations "Guiding Principles on Business and Human Rights"
- United Nations Global Compact
- GRI standards
- Responsible Business Alliance (RBA) Code of Conduct Version 8.0 (2024)

Group Sustainability Guidelines Table of Contents

<p>1. Human Rights and Labor5</p> <p style="padding-left: 20px;">1-1 Prohibition of Forced Labor</p> <p style="padding-left: 20px;">1-2 Prohibition of Child Labor, Consideration for Young Workers</p> <p style="padding-left: 20px;">1-3 Working Hours</p> <p style="padding-left: 20px;">1-4 Wages and Benefits</p> <p style="padding-left: 20px;">1-5 Humanitarian Treatment/Prohibition of Harassment</p> <p style="padding-left: 20px;">1-6 Elimination of Discrimination</p> <p style="padding-left: 20px;">1-7 Freedom of Association</p> <p>2. Safety and Health7</p> <p style="padding-left: 20px;">2-1 Safety in the Workplace</p> <p style="padding-left: 20px;">2-2 Emergency Preparedness</p> <p style="padding-left: 20px;">2-3 Occupational Accidents and Epidemics</p> <p style="padding-left: 20px;">2-4 Industrial Hygiene</p> <p style="padding-left: 20px;">2-5 Physically Demanding Work</p> <p style="padding-left: 20px;">2-6 Machine Safety Measures</p> <p style="padding-left: 20px;">2-7 Sanitation, Food, and Housing</p> <p style="padding-left: 20px;">2-8 Health and Safety Communication</p> <p style="padding-left: 20px;">2-9 Employee Health Management</p> <p>3. Environment.....10</p> <p style="padding-left: 20px;">3-1 Environmental Permitting and Reporting</p> <p style="padding-left: 20px;">3-2 Pollutants and Resource Reduction</p> <p style="padding-left: 20px;">3-3 Hazardous Substances</p> <p style="padding-left: 20px;">3-4 Solid Waste</p> <p style="padding-left: 20px;">3-5 Emission to the Atmosphere</p> <p style="padding-left: 20px;">3-6 Restriction of Substances</p> <p style="padding-left: 20px;">3-7 Water Management</p> <p style="padding-left: 20px;">3-8 Energy Consumption and Greenhouse Gas Emissions</p> <p style="padding-left: 20px;">3-9 Natural Resources and Biodiversity</p>	<p>4. Fair Trade and Ethics..... 13</p> <p style="padding-left: 20px;">4-1 Honest Trade, Anti-Corruption</p> <p style="padding-left: 20px;">4-2 Elimination of Improper Benefits</p> <p style="padding-left: 20px;">4-3 Disclosure of Information</p> <p style="padding-left: 20px;">4-4 Intellectual Property</p> <p style="padding-left: 20px;">4-5 Fair Business, Advertising, and Competition</p> <p style="padding-left: 20px;">4-6 Protection of Identity and Prohibition of Retaliation</p> <p style="padding-left: 20px;">4-7 Responsible Mineral Sourcing</p> <p style="padding-left: 20px;">4-8 Privacy</p> <p style="padding-left: 20px;">4-9 Defending Against Computer Network Threats</p> <p style="padding-left: 20px;">4-10 Appropriate Export Controls</p> <p>5. Management System..... 16</p> <p style="padding-left: 20px;">5-1 Environmental Management System</p> <p style="padding-left: 20px;">5-2 Quality Management System</p> <p style="padding-left: 20px;">5-3 Management of Suppliers and Subcontractors</p> <p>6. Quality and Safety 17</p> <p style="padding-left: 20px;">6-1 Ensuring Product and Service Safety</p> <p style="padding-left: 20px;">6-2 Quality Control of Products and Services</p> <p style="padding-left: 20px;">6-3 Provide Appropriate Information on Products and Services</p> <p>7. Human Resources..... 18</p> <p style="padding-left: 20px;">7-1 Human Resource Development</p> <p>8. Business Continuity Plan (BCP) 18</p> <p style="padding-left: 20px;">8-1 Business Continuity Plan Development and Preparation</p> <p>9. Supplementary Provisions 19</p> <p style="padding-left: 20px;">Revision and abolition history</p>
--	--

1. Human Rights and Labor

1-1 Prohibition of Forced Labor

- Ensure that all employees are employed at their own free will.
- No use of forced labor, slave labor (including debt bondage), inhumane prison labor, slave labor, or labor by traffickers.
- Guarantee workers the right to resign freely and terminate their employment.
- Please keep all documents related to all retiring workers in accordance with the law.

For example, the following forms of forced labor constitute serious human rights violations.

- Forced labor to work against the person's will
- Slave labor through human trafficking
- Labor with restricted freedom to leave
- Requiring employees to hand over their ID, passport, work permit, etc. to their employer
- Unreasonable restrictions on freedom of movement in and out of company facilities and within the workplace.

In addition, when hiring an employee, an employment contract needs to be signed that describes the terms and conditions of employment.

The employment contract needs to be in a language the employee understands.

1-2 Prohibition of Child Labor, Consideration for Young Workers

- Do not employ children under the minimum working age in each country / region.
- Do not allow young workers under the age of 18 to engage in hazardous work that may endanger their health or safety.

"Child labor" refers to labor performed by children who have not reached the minimum working age set by each country or region (or the International Labor Organization (ILO)). For example, in Japan, the Labor Standards Act prohibits people from working until the end of compulsory education (the first March 31st after they reach the age of 15).

Additionally, persons under the age of 18 are generally prohibited from performing hazardous or harmful work or night work.

In countries where there are no legal provisions regarding the working age, the ILO regulations need to be followed.

1-3 Working Hours

- Do not allow workers to work beyond the working hour limits set by local laws and regulations.
- Manage workers' working hours, holidays, and vacations appropriately, taking into consideration international standards.

Numerous studies of business practices show that worker overwork is clearly linked to lower productivity, increased turnover, and increased injury and illness. Since extremely long working hours are detrimental to workers' mental and physical health and can lead to depression and other mental illnesses, death from overwork, and suicide, "working hours"

need to be properly managed. If the maximum working hours are not specified in the laws and regulations of the country or region, the ILO regulations need to be complied with.

1-4 Wages and Benefits

- Compensation paid to employees (including minimum wage, overtime pay, legally mandated benefits and wage deductions) should comply with all applicable laws and regulations.
- Set equal wages for workers with the same work and qualifications.
- Do not deduct from wages as a disciplinary measure.
- Aim to pay employees and their families "living wage" that is necessary for them to live decent, healthy, and cultured lives.

Employees need to be paid the "minimum wage" as defined by the wage-related laws and regulations of each country or region. At the time of payment of wages, the employee need to be provided with a clearly marked pay stub so that he/she can verify that it is the correct amount of compensation for his/her work. Pay slips need to be prepared in a language that employees can understand.

"Living wage" is defined and advocated in international standards such as the ILO and the UN Global Compact.

1-5 Humanitarian Treatment/Prohibition of Harassment

- Respect the human rights of employees and do not subject them to inhumane treatment, including mental or physical abuse, coercion, or harassment, or any conduct that could lead to such treatment.

There shall be no offensive or inhumane treatment of employees, including violence, gender-based violence, sexual harassment, sexual abuse, corporal punishment, mental or physical oppression, bullying, public insult or exposure, or verbal abuse.

Additionally, disciplinary policies and procedures for when such incidents occur need to be determined in advance and disclosed to employees.

1-6 Elimination of Discrimination

- Ensure that there is no discrimination in hiring and employment.

"Discrimination" means making differences in opportunities or treatment in hiring, promotion, compensation, training, etc. based on factors other than rational factors such as an individual's ability, aptitude, or achievements. For example, this refers to discrimination in promotions or wages based on race, ethnicity, nationality, region of origin, skin color, age, sex, sexual orientation, religion, political views, pregnancy, marital history, disability, genetic information, or union membership.

In addition, appropriate accommodation needs to be made for workers who need to practice their religious beliefs.

1-7 Freedom of Association

- Respect the right of employees to organize as a means of realizing improvements in working conditions and treatment.

"Respecting the right to organize" means respecting the freedom to join a labor union for the purpose of collective bargaining, etc., and the freedom to conduct collective bargaining, while complying with local laws and regulations. Employees or their representatives should openly communicate and share with management their opinions and concerns regarding working conditions and management practices without fear of discrimination, retaliation, intimidation, or harassment.

2. Safety and Health

2-1 Safety in the Workplace

- Assess the risks of hazardous chemicals used in the workplace, various energy sources, falls from height, etc., and ensure worker safety through appropriate engineering and control measures.

It is necessary to identify hazards in the workplace, including their likelihood of occurrence, and implement safety measures for workers.

In particular, reasonable consideration should be given to female employees during pregnancy and lactation, employees with disabilities, and elderly employees.

"Workplace safety and health" is necessary to protect the safety and health of workers, and as a result, it stabilizes the quality of products and services and increases work motivation, which in turn leads to improved work efficiency.

2-2 Emergency Preparedness

- Evaluate and identify possible accidents and disasters to protect the lives and safety of employees.
- Please ensure that all employees are familiarized with emergency response measures through training and education.

"Emergency response measures" include reporting when an emergency occurs due to a disaster or accident, contacting and notifying employees, installing evacuation equipment, clarifying evacuation procedures, stockpiling medicines and emergency food, installing fire alarms and fire extinguishers, securing emergency communication means, and developing recovery plans.

"Training and education" methods include providing emergency response education to employees, including evacuation drills, securing and displaying evacuation routes, and preparing and posting emergency response procedures.

2-3 Occupational Accidents and Epidemics

- In the event of an occupational injury or illness, identify, evaluate, record, and report the situation, and take appropriate countermeasures and corrective actions.

In order to create an environment where employees can work with peace of mind, it is necessary to reduce and prevent accidents and illnesses in the workplace. To achieve this, it is necessary to establish systems and policies to encourage employees to report workplace accidents and illnesses when they occur, to classify, record and investigate cases, to provide necessary treatment, to identify and eliminate the causes, to implement corrective measures to help employees return to work, and to enroll employees in workers' compensation insurance.

Additionally, it will be necessary to carry out the necessary administrative procedures in accordance with the laws and regulations of each country or region.

2-4 Industrial Hygiene

- Identify and assess the risk of employee exposure to adverse biological, chemical, and physical effects in the workplace.
- Take appropriate measures such as establishing and operating management standards, educating and training employees, and providing personal protective equipment necessary to protect the body.

Harmful effects include poisons, radiation, and substances that cause chronic diseases (such as lead and asbestos).

Furthermore, excessive noise and bad odors are also considered to be harmful to the human body.

Exposure occurs when humans or living organisms come into contact with harmful substances such as chemicals. This can occur through inhalation exposure, oral exposure via food and drink, and percutaneous exposure through contact with the skin.

2-5 Physically Demanding Work

- Identify and evaluate physically demanding tasks and manage them appropriately to prevent occupational accidents and illnesses.

Physically demanding work for employees includes tasks such as manual heavy handling or repetitive lifting, prolonged standing, and extremely repetitive or physically demanding assembly work.

Appropriate management includes creating an ergonomic working environment, taking regular breaks, providing work aids, and sharing and cooperating among multiple workers.

2-6 Machine Safety Measures

- Evaluate machinery and equipment used by employees in the course of their work for safety risks and take appropriate safety measures.

Appropriate safety measures refer to management measures to prevent accidents and health damage that occur during work.

For example, these include the adoption of safety mechanisms such as fail-safes, fool-proofs, interlocks, and tag outs, the installation of safety devices and protective barriers, and regular inspection and maintenance of machinery and equipment.

2-7 Sanitation, Food, and Housing

- Ensure proper health and safety of facilities such as dormitories, cafeterias, rest rooms, toilets, etc. provided for the living of employees.

"Ensuring safety and health" means, for example, maintaining cleanliness and hygiene, as well as providing safe drinking water, fire prevention measures, earthquake resistance of buildings, prevention of equipment from collapsing, ventilation, temperature and humidity control, emergency escape routes (emergency escape routes, etc.), and safe storage of personal belongings.

2-8 Health and Safety Communication

- Provide appropriate health and safety information and education/training on the various workplace hazards to which employees may be exposed in the workplace, in language and methods that workers can understand.
- In addition, a mechanism should be established to provide feedback from employees on health and safety related issues.

Workplace hazards to which employees may be exposed include mechanical, electrical, chemical, fire, and physical hazards. Health and Safety related information must be clearly posted within the facility or in a location that is identifiable and accessible to employees and provided in a language that employees can understand. Training needs to be provided for all workers before they start work and periodically thereafter.

Additionally, employees need to be able to raise concerns without facing retaliation.

2-9 Employee Health Management

- Please provide all employees with at least the medical examinations required by laws and regulations, and manage their health to prevent and detect illnesses at an early stage.

At the very least, it is important to conduct medical examinations, etc. at the level stipulated by the laws and regulations of each country and region, and to prevent and detect employee illnesses at an early stage. For example, it is expected to prevent physical and mental illnesses caused by overwork, improve work efficiency, and stabilize work processes.

In addition, efforts should be made to ensure the health and safety of female workers during pregnancy and after childbirth.

3. Environment

3-1 Environmental Permitting and Reporting

- Follow the laws and regulations of each country and region, obtain the necessary permits and licenses for your business, and comply with operational and reporting requirements.

Business operations must obtain and operate with all necessary environmental permits and licenses, including operating permits, air emissions, wastewater discharges, storage and use of hazardous substances, and waste (individual and hazardous) disposal.

For example, depending on the chemicals used in the business, there may be an obligation to appoint persons responsible for the management of toxic and hazardous substances, specific chemical substances, and hazardous materials, and depending on the business content and factory location, there may be cases where government permits and licenses are required for environmental impact assessments and hazardous material handling facilities.

In addition, any permits, registrations, or licenses obtained need to be properly updated and current copies kept on file.

3-2 Pollutants and Resource Reduction

- Set voluntary standards for the prevention of pollution of air, water, soil, etc., in accordance with the laws and regulations of each country and region, and work to contribute to the reduction of pollutants.
- Set voluntary standards for the use of raw materials, water, etc., and strive to reduce resource inputs through ongoing efforts such as facility improvements and promotion of recycling.

Pollutants and waste need to be reduced at the source or by installing equipment that prevents pollution, and by improving manufacturing, maintenance, and equipment operation methods and processes.

Natural resources (water, fossil fuels, minerals, etc.) need to be used effectively by reducing their use through material substitution, recycling and reuse, and improving methods and processes for manufacturing, maintenance, and equipment operation.

3-3 Hazardous Substances

- In accordance with the laws and regulations of each country and region, identify chemical substances, etc. that are harmful to the human body and the environment, and use, handle, store, etc. them appropriately.
- When transporting or disposing of hazardous substances, entrust the task to an appropriate disposal company that has been approved by the government.

Among the chemicals used in the manufacturing process and those contained in products and waste, hazardous substances that have adverse effects on the human body and the environment must be properly separated and clearly labeled as hazardous substances, and access to them need to be controlled in terms of their handling, transportation, storage, use, recycling or reuse, and disposal.

3-4 Solid Waste

- Please dispose of or recycle waste in accordance with the laws and regulations of your country or region.

In addition to complying with the laws and regulations of each country and region related to waste, we need to establish voluntary standards and implement the 3Rs (reduce, reuse, recycle) to reduce our environmental impact and create a sustainable business environment.

Even when disposing of substances that are not identified as hazardous, we need to strive to reduce waste by implementing a systematic approach to identify, manage, and dispose of or recycle waste responsibly.

3-5 Emission to the Atmosphere

- Please analyze and monitor air pollutants in accordance with the laws and regulations of each country and region, and discharge them after necessary control and treatment.

"Air pollutants" include volatile organic compounds (VOCs), aerosols, corrosives, particulate matter, ozone-depleting substances, and combustion by-products. Prior to discharging these substances, their contents must be analyzed and identified, and based on the results, any necessary management or measures need to be taken before they can be discharged. Measures also include the handling of discharged substances and regular monitoring of the performance of treatment systems.

3-6 Restriction of Substances

- Please make sure that products and sub-materials do not contain any chemical substances that are prohibited by the laws and regulations of your country or region.
- If the product contains chemical substances for which labeling is required by the laws and regulations of each country or region, please indicate clearly.

It is necessary to comply with laws and regulations regarding prohibited substances specified by the laws and regulations of each country or region and substances for which content labeling is obligatory. In addition, testing and evaluation is required to confirm whether or not it is contained, the amount contained, etc.

3-7 Water Management

- Please monitor the source, usage, and discharge of water used in accordance with the laws and regulations of each country and region, and make every effort to conserve water.
- Please ensure that wastewater is characterized, monitored, controlled, and treated as necessary prior to discharge or disposal.

It is necessary to understand water sources, use and discharge, conserve water and control pollution pathways.

Management of contamination routes includes ensuring that waterways within the site are free of contamination, are protected from contamination (e.g. no stagnant water or accumulations of grease near storm drains), and are equipped with emergency response facilities (e.g. shut-off valves and stopcocks to stop the leakage or outflow of clean water or sewage containing pollutants in the event of a factory disaster or natural disaster; storm water manholes, sewage manholes, and reservoirs alone are not sufficient in the event of leakage or overflow).

3-8 Energy Consumption and Greenhouse Gas Emissions

- Establish voluntary targets for energy consumption and greenhouse gas emissions, and engage in continuous reduction activities and active introduction of renewable energy.

The use of fossil fuels, heat, electricity, and other energy sources should be rationalized, and efforts should be made to promote continuous energy conservation.

There are a variety of "greenhouse gases," but for the seven substances specified in the Kyoto Protocol - carbon dioxide, methane, nitrous oxide, HFCs, PFCs, SF6, and NF3 - voluntary reduction targets need to be set and efforts need to be made toward continuous reduction.

3-9 Natural Resources and Biodiversity

- In procuring raw materials, avoid or minimize the impact on biodiversity and work toward the sustainable use of natural resources.

When using resources derived from forests, oceans, living organisms, etc., it is necessary to avoid the use of resources that have been illegally extracted, cultivated, or traded.

It is also desirable to use raw materials that take into consideration the conservation of resources, including from the perspective of reducing deforestation and degradation.

4. Fair Trade and Ethics

4-1 Honest Trade, Anti-Corruption

- Maintain honest and ethical business dealings in all business dealings.
- Do not engage in bribery, extortion, or embezzlement of any kind.

Honest and ethical means the following.

- Do not act in such a way as to abuse your superior position to the detriment of your business partners, etc.
- Always conduct business with suppliers on the basis of fair contracts.
- Developing, publishing, and implementing a code of ethics and business conduct standards.
- Clearly state a policy prohibiting the giving or receiving of improper benefits, including bribery, bribery, extortion, and embezzlement.
- Implement appropriate education and training programs for employees and continue to enforce the policy.

4-2 Elimination of Improper Benefits

- Do not offer or accept any promise, offer, or permission as a means of obtaining a bribe or other undue or improper advantage.

It is important to prohibit giving or receiving anything of value directly or indirectly in order to obtain business or obtain improper benefits, including promises or offers to do so.

Policies and procedures need to be clarified and monitored to ensure compliance with anti-corruption laws and regulations.

Giving money, entertainment, gifts, or other benefits to public officials or equivalent persons (hereinafter referred to as “public officials, etc.”) for the purpose of obtaining or maintaining licenses, permits, or transactions, obtaining non-public information, or other business benefits in return, or providing entertainment or gifts to public officials, etc. that exceed social propriety is considered bribery.

4-3 Disclosure of Information

- Please ensure that all transactions are conducted in a transparent manner and that accurate information regarding products, services, business activities, financial condition, performance, and risks is appropriately disclosed in accordance with local laws and regulations and prevailing industry practices.
- Do not tolerate falsification of records or false disclosure of information.

Regardless of legal disclosure requirements, companies are required to proactively provide and disclose information to stakeholders on business activities, financial conditions, business performance, ESG (Environmental, Social and Governance) and risk information (e.g., damage caused by large-scale disasters, occurrence of adverse effects on the environment or society, discovery of serious legal violations).

Accurate information is required to be provided to consumers and customers regarding the specifications, quality, and handling methods of products and services, as well as the materials used in products and the substances contained in them.

4-4 Intellectual Property

- Do not infringe on the intellectual property rights of third parties.

"Intellectual property" includes patent rights, utility model rights, design rights, trademark rights, copyrights, trade secrets, technical know-how, etc. When developing, producing, selling, or providing products or services, it is necessary to investigate well in advance to ensure that there is no infringement of a third party's intellectual property.

4-5 Fair Business, Advertising, and Competition

- Promote fair and transparent business activities.
- Do not engage in any activities that impede free competition.

Fair and transparent business activities are defined as follows:

- Maintain fair and free competitive relationships with competitors at all times and not engage in illegal activities such as cartels and bid rigging.
- Do not illegally obtain other companies' trade secrets or mislead customers about other companies' products.
- Do not use or provide benefits to criminal organizations, terrorist organizations, or other antisocial forces.
- Do not engage in acts that impede free competition, engage in unfair competitive acts, or engage in advertising and publicity involving misidentification of contents or infringement of rights, etc.

4-6 Protection of Identity and Prohibition of Retaliation

- If you receive a problem or consultation from a client, employee, etc., please take measures to ensure the anonymity of the person consulted, the confidentiality of the content, and that the person consulted will not suffer any prejudicial treatment.

In order to conduct fair corporate activities, it is necessary to educate employees and establish and disclose a system to ensure that the confidentiality of those who consult with us is protected and adequately safeguarded for early detection and response to misconduct.

In addition, reports of misconduct need to be handled promptly and the results of the response need to be fed back to the appropriate parties.

4-7 Responsible Mineral Sourcing

- Do not use conflict minerals as raw materials for products that may be used to finance armed groups.

"Conflict minerals" refers to minerals mined in conflict areas, such as tin, tantalum, tungsten, gold, and cobalt, which are mineral resources in the Democratic Republic of the Congo and

its neighboring countries. This may include items that could serve as a source of funding for armed groups and contribute to serious human rights violations.

When using metals refined from these minerals, it is necessary to verify their place of origin and distribution process to ensure that they are not conflict minerals that could serve as a source of funding for armed groups.

4-8 Privacy

- Properly manage and protect all personal information of customers, consumers, suppliers/contractors, and company employees in accordance with the laws and regulations of each country and region.

"Personal information" means information about a living individual that can identify that individual. (This includes cases where an individual can be identified by comparing that information with other easily accessible information.)

For example, in Japan the Personal Information Protection Act and in the EU the General Data Protection Regulation require strict management of personal information (e.g. setting retention periods for personal information). Information that no longer needs to be stored need to be disposed of promptly by taking the necessary measures (for example, shredding paper information).

4-9 Defending Against Computer Network Threats

- Please take protective measures against computer network threats and ensure that your company and other companies are not harmed by them.
- Please manage and protect confidential information such as trade secrets, customer confidentiality, and company confidentiality appropriately.

"Appropriate management and protection of confidential information" means that confidential information shall not be leaked or disclosed or used in an unauthorized manner by appropriately setting confidentiality levels and retention periods for each piece of confidential information, and by implementing necessary confidential information management measures such as retention methods, access restrictions, and access records.

"Computer network threats" are threats such as computer viruses, spyware, etc., that can cause information stored on computers to leak out.

Countermeasures include technical measures, such as installing antivirus software, applying security batches to computer operating systems (e.g., Windows) and applications, and isolating computers that store highly confidential information from other computers.

Attackers are launching new attacks every day, and continuous improvement activities are necessary.

4-10 Appropriate Export Controls

- Please export only after establishing a control system and following the necessary export procedures for the export of technology and goods that are regulated by laws and regulations.

"Technology and goods regulated by laws and regulations" refers to parts, products, technology, equipment, software, etc., the export of which is regulated by the laws and regulations of each country or region based on international agreements, etc. (Wassenaar Arrangement, etc.).

5. Management System

5-1 Environmental Management System

- Continuously strive for improvement by establishing and operating a representative environmental management system such as ISO14001.

An "environmental management system" is an overall management mechanism to promote environmental activities that implements continuous improvement through a PDCA cycle of creating environmental policies and implementing, reviewing, and responding to those policies, including organizational structure, planned activities, division of responsibilities, practices, procedures, processes, management resources, and others.

It is desirable to achieve continuous improvement of environmental activities through the implementation of a management system.

5-2 Quality Management System

- Please establish a representative quality management system such as ISO9000 to ensure and further improve the safety and quality of your products, and strive for continuous improvement through appropriate operation of the system.

A "quality management system" refers to a general management mechanism for promoting quality assurance activities, and includes organizational structure, planned activities, allocation of responsibilities, procedures, processes, management resources, etc.

Quality assurance activities involve creating a quality policy, implementing measures in line with that policy, and carrying out continuous improvement activities through the PDCA cycle by achieving, reviewing, and maintaining the quality.

5-3 Management of Suppliers and Subcontractors

- Please ensure that these guidelines are followed throughout the supply chain.

In order to fulfill our corporate social responsibilities and provide customers with products that they can trust, it is becoming increasingly essential for us to receive cooperation from the entire supply chain, not only from you, our first-tier supplier, but also from your suppliers (our second-tier suppliers) and even further suppliers (our third-tier suppliers).

We ask for your cooperation in ensuring that these guidelines are thoroughly implemented throughout the entire supply chain.

6. Quality and Safety

6-1 Ensuring Product and Service Safety

- Please ensure the safety and quality of your products from the design stage of the products, and produce and sell your products not only in compliance with the laws, regulations, and standards of each country and region where they are used, but also in consideration of manufacturer's responsibility.

In order to ensure product safety, it is necessary to establish a system that ensures traceability of materials, parts, process histories, etc., and that can quickly identify the targets to which a problem may affect in the event that one does occur.

6-2 Quality Control of Products and Services

- Comply not only with applicable local laws and regulations regarding the quality of products and services, but also with your own quality standards.

It is necessary not only to comply with local laws and regulations applicable to the quality of products and services, but also to establish appropriate mechanisms and management systems to ensure compliance with our own quality standards.

6-3 Provide Appropriate Information on Products and Services

- Provide accurate and non-misleading information about your products and services.

Accurate and non-misleading information about products and services must be provided to customers and consumers.

False or falsified information must not be provided.

7. Human Resources

7-1 Human Resource Development

- Please develop human resources who can discover issues on their own and take action to solve them.

Based on the recognition that human resources are the driving force for sustainable growth, it is important to recruit, train, and promote diverse human resources regardless of nationality, gender, age, or religious beliefs, and to expand the education and training system to improve the internal environment and human resource development, thereby promoting the activities and growth of diverse human resources.

8. Business Continuity Plan (BCP)

8-1 Business Continuity Plan Development and Preparation

- Analyze risks that may hinder business continuity, and formulate a business continuity plan (BCP) that includes a close examination of the impact on business, preliminary countermeasures, and the status of efforts to address these risks.

Risks that may disrupt business continuity include large-scale natural disasters (e.g. earthquakes, tsunamis, floods, heavy rains, heavy snowfall, tornadoes) and the associated power outages, water outages, and traffic disruptions, accidents (e.g. fires, explosions), the spread of widespread contagious diseases, terrorism, and riots.

The necessary preventive measures include a local recovery strategy that defines how to protect, mitigate, and recover each element of the production site from the expected damage. It is also important to assume that recovery from the damage caused by the disaster will be prolonged, and to endeavor to secure alternative means.

In the event that business operations are actually halted, action procedures need to be developed in accordance with the contents of the BCP to quickly restore operations, and ongoing education and training must be provided to employees so that they can respond to actual disasters.



9. Supplementary Provisions

Revision and abolition history

Edition	Date	Details
1 st	January 1, 2024	Established and published as a guideline for Soken Chemical & Engineering Co., Ltd.
2 nd	April 1, 2026	Revised and published as group guidelines.