

NOF Guidelines for CSR Procurement

We believe that our corporate philosophy of “contributing to mankind and society through the creation of new value in wide-ranging fields from the biosphere to outer space” represents the CSR that we aim to fulfill through our business activities. We will strive to maximize the values that we share with every stakeholder and with society.

Our CSR efforts cannot be carried out without support from our suppliers. We have put together “NOF Guidelines for CSR Procurement” outlining issues that we would like you to work on together with us. We would appreciate your understanding and support for the aims of these guidelines and your cooperation with us in following the guidelines below.

1. Compliance

Each one of us complies with laws and regulations and takes ethical actions.

- We comply with relevant laws of Japan and other countries in the execution of purchasing activities.
- We comply with international standards, internal rules and corporate ethics, and push ahead with sound purchasing activities.

2. Respect for Human Rights

We support and respect international standards on human rights and fulfill our responsibility to respect human rights.

- We respect international standards on human rights. Should any kind of discrimination, harassment, forced or child labor, or other inhumane behavior comes to light, we will take appropriate steps to remedy the situation.
- We pay attention to working hours, guarantee the payment of appropriate wages and allowances in compliance with laws and regulations, and respect the freedom to join a union and to engage in protest actions.

3. Promotion of Occupational Safety and Health Activities

Believing that ensuring of occupational safety and health and creation of comfortable workplace environments make up the foundation for sustained growth of a company, we are pushing ahead with initiatives for the maintenance and enhancement of health.

- The whole NOF Group, including the staffs of cooperating companies assigned to NOF's works, is making all-out efforts to eradicate occupational accidents.
- We set Group-wide labor safety targets for each year, while organizing an occupational safety and health management system, under which required management and improvement are pursued.
- Recognizing the importance of safety education in securing safety and health, we strive to reinforce our safety activities including enhancing our occupational safety and health management system and providing safety education.

4. Environmentally Friendly Procurement

We push ahead with procurement that gives consideration to environmental preservation, resource conservation and safety, towards the goal of making sustainable society a reality.

- We cooperate with our suppliers to practice purchasing activity that causes lower environmental load and is considerate of environmental preservation.
- To procure products with lower environmental load, we have established a list of managed substances, based on which we conduct surveys of suppliers.
- We joined the Round-table on Sustainable Palm Oil (RSPO) in 2012 and obtained supply chain certification from the organization in 2014. We are also a founding member of the Japan Sustainable Palm Oil Network (JaSPON) launched in Japan in 2019, and conduct activities to procure sustainable palm oil.
- We regularly conduct "Supplier Survey for Green Procurement" to inquire the status of certification of each supplier's environmental management system and to prevent contamination of raw materials with hazardous substances.

5. Fair and Just Transactions in Accordance with Corporate Ethics

We consider our suppliers as valued partners with whom we grow together, and treat them on a basis of equality and fairness at all times with the spirit of “live and prosper together in harmony.”

- We do not cause disadvantage to our suppliers by abusing superior bargaining power.
- We do not give or receive gifts or entertainment that deviate from social norms.
- When selecting suppliers, we make decisions after considering all aspects including quality, price competitiveness, stability of supply, technical strength and CSR activities so as to conduct optimal purchasing activity for NOF. We offer suppliers both in and outside Japan equal opportunity for competition.
- We take firm stance and action against antisocial forces or organizations that pose a threat to public order and safety, and refuse to have any dealings whatsoever with them.
- When using four minerals of tin, tantalum, tungsten and gold, we use the prescribed Conflict Minerals Reporting Template (CMRT) agreed by the Responsible Minerals Initiative (RMI), and conduct questionnaire surveys of all key business partners to investigate their origins, to avoid using conflict minerals, or the four minerals extracted in the Democratic Republic of Congo and neighboring countries, which may potentially impact human rights, among other things.
- We disclose information in an appropriate manner in accordance with various laws and regulations, including the Financial Instruments and Exchange Act and the Rules on Timely Disclosure set by the Tokyo Stock Exchange.
- We protect intellectual property rights and keep confidential information and trade secrets safe.

6. Initiatives for Quality and Safety in the Supply Chain

The raw materials we use are purchased as part of CSR procurement based on their “impact on the environment and health,” in addition to “quality, cost and delivery time.”

- We ensure the safety and quality of raw materials and gather accurate information.
- We collect information on the safety of raw materials we purchase, based on the list of managed substances we have established regarding the toxicity and hazardous properties of substances. The managed substances list is decided on the basis of the POPs treaty, RoHS directives, REACH regulations, Japan’s Act on the Evaluation of Chemical Substances and Regulation of Their Manufacture, etc. Industrial Safety and Health Act and Poisonous and Deleterious Substances Control Act, and is reviewed once a year.

7. Information Security

We manage the personal information of our customers, suppliers, employees, and other individuals in an appropriate manner, and appropriately manage and prevent the leak of confidential information of our customers, suppliers, our own, etc.

- We comply with the Act on the Protection of Personal Information and other Japanese laws and standards related to the protection of personal information. Recognizing that it is our natural responsibility to society to protect the personal information of our customers that we have obtained through transactions, inquiries and all other opportunities, we handle personal information in an appropriate manner and strive to manage the safety of such information.

8. Promotion of Business Continuity Plan

We strive to build a risk management structure in accordance with the business continuity plan to quickly resume supply of products in case of an emergency.

- We have established manuals and procedures on the assumption of unforeseen situations such as massive disasters or pandemics. We regularly conduct drills and make improvements and revisions to the manuals and procedures where necessary.

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NOF Corporation
Purchasing Department