

**Zeon Group**  
**Sustainable Procurement Guidelines**

**October 2023**

**Introduction**

In recent years, various social issues such as climate change and human rights issues have been in the spotlight. Companies are expected to take the initiative in tackling these issues and fulfill their responsibilities and roles in order to realize a sustainable society.

Based on our corporate philosophy of “Contributing to the preservation of the Earth and the prosperity of the human race” the Zeon Group will contribute to the realization of a sustainable society by providing products and services that enable to solve the problems of the earth and society. To achieve this, it is essential to conduct responsible procurement activities , working together with everyone in the supply chain to resolve social issues.

Based on this idea, we would like everyone in the supply chain to understand the Zeon Group's Corporate Philosophy, Sustainability Policy, Sustainable Procurement Policy, and other policies, and work together with us. The contents of these policies have been compiled into the "Zeon Group Sustainable Procurement Guidelines."

Through the efforts described in these guidelines, we would like to work across the entire supply chain to realize a sustainable society together with our business partners. Therefore we ask for your understanding and implementation of these guidelines.

Please note that this guideline will be reviewed and revised as appropriate in response to the changing demands of society.

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## 1. Corporate Philosophy

### **Contributing to the preservation of the Earth and the prosperity of the human race**

In keeping with its name, derived from the Greek words “geo” (Earth) and “eon” (eternity), Zeon will contribute to a “Sustainable Earth” and “Safe and Comfortable Life for People” by providing original technologies, products, and services.

## 2. Sustainability Policy

- We aspire to realize a “Sustainable Earth” and “Safe and Comfortable Life”.
- We will firmly maintain fairness and integrity in our activities to be a trustworthy company.
- Each of us will think and act proactively for a better future.

Based on our corporate philosophy of “contributing to the preservation of the Earth and the prosperity of the human race”, sustainability at Zeon means achieving sustainable growth together with society. To achieve this, we will provide products and services that are valuable for solving global and social issues, build trust with our stakeholders through fairness and integrity and have each one of us act proactively thinking how to create a better future for the society and ourselves.

【Image diagram】



### **3. Sustainable Procurement Policy**

Zeon Group conducts responsible procurement activities based on our "Sustainability Policy" aiming to realize a sustainable society throughout the supply chain.

#### **1. Compliance with laws and social norms**

We comply with laws and social norms and conduct fair procurement activities based on corporate ethics.

#### **2. Optimal procurement of raw materials, products, and services**

We strive to ensure the optimal procurement of raw materials, products, and services in respect of safety, quality, price, delivery date, supply stability, and technical capabilities to provide better products.

#### **3. Consideration for the global environment**

We strive to procure raw materials, products, and services that have less negative impact on the global environment, giving consideration to conservation of environment, resources and biodiversity.

#### **4. Consideration for human rights**

We respect human rights in our supply chain and strive to procure raw materials, products, and services that are human rights friendly.

#### **5. Promoting responsible mineral sourcing**

We strive to responsibly procure minerals to avoid involvement in conflicts, environmental destruction, and human rights violations in conflict-affected and high-risk areas.

#### **6. Appropriate management of information**

We understand the importance of confidential information obtained through procurement activities, and striving to use, manage, and protect it appropriately.

#### **7. Open purchasing attitude and partnership**

We look for business partners from a global perspective, striving to ensure fair, impartial, and transparent business opportunities, and build partnerships with our suppliers through dialogue to realize mutual development and a sustainable society.

## **4. Responsible Care Policy**

### **1. Prioritize the environment and safety**

Protecting the environment and ensuring safety are preconditions for all business activities and are the most important priorities. We will work continuously to enact full accident prevention countermeasures, and provide education and training for all employees to prevent safety and environmental accidents.

### **2. Collect and distribute the latest information on chemical products**

We will collect, store and manage the latest information required for the appropriate handling, use and disposal of chemical products, and distribute this information to employees and users.

### **3. Minimize the discharge of toxic chemicals and waste**

We will work to reduce the discharge of hazardous chemical substances, minimize waste, and develop technology for recycling and reusing materials.

### **4. Promote activities for conserving resources and energy**

We will aim to dramatically reduce the amount of energy we use and help alleviate global warming by developing innovative technology and actively promoting resource and energy conservation activities that involve all employees.

### **5. Take the environment and safety into account when developing new processes and products and performing quality assurance**

We will perform thorough environmental and safety evaluations from the initial stages of research, develop technology and products that take the environment and safety into account, and work to maintain and improve the quality of technology and products.

### **6. Live together with society**

We will strictly observe regulations related to the environment and safety, whether the regulations come from the local community, the national government, overseas, or organizations to which we belong. While cooperating in these activities, we will work to enhance our communication with the local community and society in order to convey a better understanding of Zeon's activities and further strengthen the trust that society has in our company.

### **7. Perform continuous improvements**

We will continuously improve our environment safety management and technology by operating a Responsible Care Audit, the Safety Management System, an Environment Management System based on ISO 14001, and an Occupational Health and Safety Management System.

## **5. Human Rights Policy**

We, the Zeon Group, are committed to fulfilling our corporate social responsibilities in respect of human rights and contributing to realizing a sustainable society, based on international codes of conduct on human rights, such as the Universal Declaration of Human Rights, the International Labor Organization (ILO) Declaration on Fundamental Principles and Rights in Labor, and the UN Global Compact.

### **Respect for Human Rights**

We will not tolerate acts of discrimination or harassment based on age, gender, place of origin, ancestry, nationality, disability, religion, creed, marital status, employment status, union participation, political views and other differences. We also will not tolerate child labor, forced labor or/nor unjustly low wage labor.

### **Collaboration with Stakeholders**

We will encourage our customers and business partners to support this policy with us to pursue business activities sharing respect for human rights.

### **Prevention and Mitigation of Human Rights Violations**

We will strive to perceive, avoid and reduce any negative impact on human rights that might result from our business activities.

### **Response to Human Rights Violations**

We will work on the relief through appropriate procedures when it is found that we have caused or furthered a negative impact on human rights.

### **Efforts on Human Rights Issues**

We will provide appropriate education and training to our executives and employees, so that this policy is understood and implemented.

### **Disclosure of Information**

We will publicly disclose information on our human rights initiatives under this policy through communication channels such as our website and integrated reports.

## **6. Policy on Prevention of Bribery**

With the ongoing globalization of corporate activities in recent years, it is becoming increasingly important to ensure fair competition in international transactions. Under such environment, regulations to prevent bribery have been strengthened globally, and Japanese companies face a rapidly growing risk of being charged with, and punished for, violating laws and regulations if they are involved in bribery in their business.

Considering these circumstances, Zeon Group will ensure not to engage in any form of corruption, by ensuring that it will not give, or offer or promise to give, bribes to public officials or deemed public officials (“Public Officials”) in Japan or overseas, and will comply with laws and regulations concerning the prevention of bribery applicable to the countries and regions in which Zeon Group conducts business (“Laws and Regulations on the Prevention of Bribery for Public Officials”). Zeon Group will ensure that all officers and employees (“Officers and Employees”) comply with the following:

### **1. Prohibition of bribery**

Officers and Employees of Zeon Group shall comply with the Laws and Regulations on the Prevention of Bribery for Public Officials and shall not give, or offer or promise to give, Public Officials any gift, entertainment, advantages, or other economic benefits with a corrupt intent. In addition, they shall not seek business convenience through such wrongful means.

### **2. Training on Laws and Regulations on the Prevention of Bribery for Public Officials**

Zeon Group will ensure that its Officers and Employees understand the Laws and Regulations on the Prevention of Bribery for Public Officials through training and other means, and that they comply with these laws and regulations.

### **3. Code of conduct**

With regard to the provision of benefits to Public Officials, Officers and Employees of Zeon Group will act appropriately in accordance with internal rules and the social norms required by the international community.

### **4. Record Keeping**

Zeon Group will keep accurate accounting records of expenses incurred by each group company in all cases where Officers and Employees provide benefits to Public Officials.

### **5. Disciplinary Actions**

Zeon Group requires Officers and Employees to promptly report to their superiors when they discover any violation of the applicable Laws and Regulations on the Prevention of Bribery for Public Officials and/or internal rules. Individuals who committed such violation and their supervisory managers are subject to strict disciplinary actions pursuant to the internal rules (including the working regulations).

## **7. Supply chain reporting desk**

Zeon Group has established a supply chain reporting desk for the purpose of preventing incidents in the supply chain that violate laws or corporate ethics.

If there is a violation of laws or corporate ethics , or a violation of human rights, etc. in our supply chain, we accept reports from outside of our group, including business partners.

Please contact Zeon Corporation's website below for reporting.

Reporting desk is [here](#)

※Whistleblowers will not be treated disadvantageously because of their reporting.

※Please refrain from reporting for illegal or malicious purposes.