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# **Moriroku Group**

## **CSR Procurement Guidelines**

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**Moriroku Holdings Company, Ltd.**

**Established in April 2023**

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## Introduction

I would like to express my sincere gratitude for your special understanding and support toward the business activities of the Moriroku Group.

Our Group's corporate philosophy is to "co-create high value with its future-oriented creativity and advanced technologies, while contributing to timeless global society." We have been operating our business for a long period of over 350 years since 1663, centering on the chemical business and the resin processed product business.

As we aim to become a "400-year company," we have established the Sustainability Policy of the Moriroku Group in order to fulfill our corporate social responsibility. We are working to solve human rights issues, worsening environmental destruction, and climate change issues.

In order to resolve these important issues, similar activities are essential not only within the Moriroku Group but also throughout our entire supply chain. Therefore, we have established the Moriroku Group CSR Procurement Guidelines with the aim of fulfilling our social responsibility throughout the supply chain together with our business affiliates.

Promoting CSR procurement based on these guidelines not only avoids and reduces risks associated with human rights, labor, and the environment in the supply chain, but also strengthens the supply chain to stably provide valuable products and services. I believe that this will serve as a foundation for mutual prosperity between our business affiliates and the Group.

I would like to ask all of our business affiliates for their understanding toward these Guidelines and for their cooperation with our Group in promoting socially responsible business activities.

Moriroku Holdings Company, Ltd.

President and CEO

Takashi Kurita

## Position of These Guidelines

These Guidelines organize items for which we request cooperation from our business affiliates. In addition to the Group's management philosophy, conduct guidelines, and human rights policy, we referred to international norms and frameworks with wide global recognition such as the ILO Declaration on Fundamental Principles and Rights at Work, the International Bill of Human Rights (Universal Declaration of Human Rights and International Covenants on Human Rights), the United Nations Guiding Principles on Business and Human Rights, and the OECD Guidelines for Multinational Enterprises when creating these Guidelines.

## Moriroku Group: Management Principles, Code of Conduct, Core Values

As a global corporation, the Moriroku Group engages in business activities that are rooted in various communities around the world. Our Management Principles are at the heart of our daily activities.

### Management Philosophy

**The Moriroku Group will co-create high value with its future-oriented creativity and advanced technologies, while contributing to a timeless global society.**

### Code of Conduct

1. Compliance

We will comply with domestic and foreign laws and regulations, and aim to become a trusted industrial group through fair and equitable corporate activities.

2. Respect for life and dignity

Our corporate members will individually exercise their autonomy and creativity, and respect the personality and individuality of their colleagues.

3. Customer satisfaction

We will provide our customers with valuable ideas, high quality services, and fine products to maintain their satisfaction.

4. Contribution to society

As a good corporate citizen, we will contribute to society through environmental consciousness and community-oriented corporate activities.

## **Core Values**

### 1. Progressive spirit

We will make continued efforts to improve our corporate value, by anticipating future trends.

### 2. Total cooperation

We aim to become a corporate group that puts a premium on teamwork and the pursuit of ideals.

# Moriroku Group Human Rights Policy

## **Establishment of the Moriroku Group Human Rights Policy**

The Moriroku Group (hereinafter, “the Group”) upholds respect for life and dignity in its management philosophy and Conduct Guidelines. We are promoting the creation of a workplace in which our corporate members can individually exercise their autonomy and creativity, and respect the personality and individuality of their colleagues.

The recently established Moriroku Group Human Rights Policy is consistent with the Group’s management philosophy and Conduct Guidelines. This Policy is positioned above all documents, norms, and policies related to respect for human rights in the Group’s business activities.

## **Basic Concept**

The Group strives to respect human rights through our global business activities, and creates a workplace where diverse people respect each other's individuality and where everyone can work energetically.

The Group will apply this Policy to all executives and employees (including temporary workers) of each group company. We expect all business partners, including business affiliates, to understand the Policy and work to respect human rights.

### ◆Respect for Internationally-Recognized Human Rights and Labor Standards

The Group respects internationally-recognized human rights, including those set forth in the International Bill of Human Rights and the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work. We will promote initiatives in accordance with the United Nations Guiding Principles on Business and Human Rights.

### ◆Respect for Human Rights in Business Activities

The Group will strive not to infringe on the human rights of people affected by its business activities. Furthermore, if our business activities cause or encourage a negative impact on human rights, we will take appropriate corrective and remedial actions. If negative impacts on human rights are directly related to our business, products, or services due to business relationships, we will appropriately exercise our influence and strive to reduce or prevent negative impact.

◆ Responding to Human Rights Issues in Business Activities

<Discrimination>

The Group does not discriminate on the basis of nationality, race, religion, beliefs, gender, age, sexual orientation/gender identity, or existence of any disabilities.

<Harassment>

The Group does not tolerate any form of harassment, including sexual harassment and power harassment. Moreover, we do not allow any behavior that harms the working environment through harassment or discriminatory behavior in the workplace.

<Freedom of Association and Right to Collective Bargaining>

The Group respects freedom of association and the right to collective bargaining, and engages in sincere discussions and dialogue with employees.

<Forced Labor>

The Group eliminates and prevents all forms of forced labor. We do not allow any kind of slave labor, including human trafficking.

<Child Labor>

The Group eliminates and prevents all forms of child labor.

<Hiring>

The Group conducts hiring based on ethical practices. We ensure equal opportunity, etc., in employment and work.

<Occupational Safety and Health>

The Group will establish a working environment where employees can work safely in good health.

<Working Hours and Wages>

The Group appropriately manages working hours, holidays, vacations, and wages.

◆Human Rights Due Diligence and Relief

The Group identifies any negative impact on human rights related to its business activities, including potential ones. We construct mechanisms for preventing or mitigating that negative impact, evaluating the sustainability of our efforts, and explaining/disclosing our response, and we continually operate these mechanisms.

Additionally, if it becomes clear that the Group has caused or contributed to a negative impact on human rights, we will take appropriate measures to provide relief.

◆Education and Training

The Group will disseminate this Policy within the Group, and will continue to provide education and training necessary to comply with this Policy.

◆Growth

The Group will create an environment in which employees who work for the Group can take pride in their work and recognize and enhance each other's abilities and enhance each other, thereby leading to self-growth.

◆Governance/Management System

The Group has clarified the person responsible for implementing this Policy. In addition, our Board of Directors will oversee compliance with this Policy and related efforts.

Established on April 1, 2023  
Moriroku Holdings Company, Ltd.  
President and CEO  
Takashi Kurita



# Moriroku Group: Sustainability Policy

## Moriroku Group: Sustainability Policy

**Based on our management principles, we, the Moriroku Group, and our stakeholders will co-create the value required by the new age and contribute to the sustainable growth of society.**

1. We will work to solve social issues beyond conventional business areas by leveraging the Group's functions and resources to the fullest.
2. We will aim for a sustainable mobility society through innovative manufacturing that contributes to carbon neutrality and the cyclical use of resources.
3. We will contribute to the achievement of an ecological, recycling-based society by providing green chemicals throughout the entire supply chain.
4. Based on a foundation that respects human rights, we will continue to create new value through an organization that pursues employee wellbeing and in which diverse personnel participate actively and work with satisfaction.
5. We will nurture mutual trust via highly transparent and honest business activities, understanding the expectations and requests of society through dialogue with stakeholders.

## Moriroku Group: Purchasing Policy

We strive to strengthen partnerships with our business affiliates, who possess high-level products and technologies, by offering trading opportunities that are fair and open to all companies, and engage in socially responsible, sustainable procurement practices, in order to provide high-value products and services to our customers in a stable manner

### 1. Compliance with Laws, Regulations, and Social Norms

- We comply with the laws, regulations and social norms of each country, and promote transparency in our procurement practices.

### 2. Fairness and Equity

- We offer fair trading opportunities that are open to all companies.
- We select our business affiliates through fair and comprehensive evaluation of the following factors: quality, prices, delivery time, manufacturing capacity, supply stability, technological ability, environment performance, and soundness of management, as well as their social responsibility practices, such as human rights and environmental conservation.

### 3. Implementation of Advanced Technologies

- We actively implement advanced, high-level technologies and materials, in order to realize the innovation of the coming era.

### 4. Strengthening of Partnerships

- We strive to strengthen partnerships with our business affiliates in consideration of products and services, in order to develop and provide high-value products and services.

### 5. Promotion of CSR Procurement Practices

- We strive to drive co-creation with our business affiliates, and promote socially responsible procurement practices that consider factors such as global environment conservation, respect for human rights, and the safety and health of workers in order to contribute to the sustainable development of society.

## Operation of These Guidelines

These Guidelines apply to business affiliates involved in all products, materials, raw materials, and services procured by the Group. However, in order to fulfill our social responsibility and stably provide valuable products and services, efforts throughout the entire supply chain are essential. Therefore, we ask all business affiliates to share and operate these Guidelines, or your company's policies and guidelines that include the contents of these Guidelines, with your contractors, subcontractors, and business affiliates (our secondary business affiliates).

The term "employees" in these Guidelines refers to directly employed workers such as full-time employees, contract employees, short-time workers, and part-time workers. The term "workers" includes indirect employment such as dispatched workers and contractors in addition to directly employed workers.

The status of compliance with these Guidelines may be confirmed by monitoring surveys (self-assessment questionnaires, on-site surveys, third-party audits, etc.) that the Group will conduct in the future. Monitoring surveys are conducted not only to identify potential risks, but also to enhance the sustainability of the entire supply chain through continuous dialogue and collaboration, such as sharing of exemplary efforts.

We request that all of our business affiliates prepare documents and implementation records that prove the status of their activities, and store them appropriately. Furthermore, as part of monitoring, please cooperate if the Group and/or a third party appointed by the Group discloses or shares those documents and records, conducts on-site inspections of facilities, or interviews workers.

# Moriroku Group CSR Procurement Guidelines

## 1. Compliance & Corporate Ethics

### 1.1 Compliance

Comply with the laws, rules and regulations of your country and the countries and regions where you conduct business.

### 1.2 Prevention of Corruption

Do not engage in any form of corruption such as bribery, embezzlement, or money laundering. Furthermore, do not be complicit in such corrupt practices.

### 1.3 Ensure Fair Competition

Comply with competition laws and subcontracting laws, and promote free and fair competition without abusing superior bargaining positions in order to impose unilateral terms and conditions on business partners or engaging in agreements that limit competition (cartels, etc.).

### 1.4 Protection and Respect for Intellectual Property Rights

Protect the intellectual property rights (patent rights, copyrights, design rights, etc.) belonging to your company from infringement by third parties, and do not infringe on the intellectual property of third parties.

### 1.5 Management and Protection of Personal and Confidential Information

Protect personal information, privacy information, confidential information, and other information handled in the course of business, and develop and operate an appropriate management system to prevent information leaks. Also, prevent information leaks and the occurrence/spread of damage by taking appropriate measures against cyber risks in computers and information networks.

### 1.6 Prohibition of Insider Trading

Do not buy or sell stocks, etc., of a corporation based on important undisclosed information about customers or other business partners that you have learned in the course of business. Also, do not provide undisclosed information or solicit trading to third parties.

**1.7 Responsible Mineral Procurement**

Confirm that mineral resources such as tantalum, tin, tungsten, and gold contained in products do not have a negative impact on human rights or the environment in conflict areas.

**1.8 Establishment of Whistleblowing/Consultation System and Prohibition of Retaliation**

Establish a whistleblowing and consultation system that can be used by stakeholders (including workers and suppliers) in order to prevent misconduct within your company and your supply chain, and to promptly respond if such misconduct occurs. In addition to maintaining confidentiality for information of individuals who have submitted a whistleblowing report or consultation, take appropriate measures to protect those individuals so that they do not suffer retaliation or other disadvantages due to their report or consultation. Respond promptly and appropriately to the contents of reports and consultations in accordance with laws and regulations, as well as your company's code of conduct and conduct guidelines.

## **2. Human Rights and Workers' Rights**

**2.1 Respect for Internationally-Recognized Human Rights and Labor Standards**

Support and respect internationally-recognized human rights and labor standards, including the International Bill of Human Rights and the ILO Core Labor Standards.

**2.2 Prohibition of Discrimination**

Prohibit and eliminate discriminatory acts based on nationality, race, religion, beliefs, gender, age, sexual orientation/gender identity, and existence of any disabilities. Also do not impair equal opportunity, etc., in hiring and employment.

**2.3 Prohibition of Harassment**

We prohibit all forms of harassment for individuals in the workplace, including sexual harassment and power harassment, and do not tolerate such remarks

or actions.

**2.4 Freedom of Association and Right to Collective Bargaining**

Based on laws and regulations, respect the rights to freedom of association and collective bargaining, and engage in sincere discussions and dialogue with employees.

**2.5 Prohibition of Forced Labor**

Eliminate and prevent all forms of forced labor.

**2.6 Prohibition of Child Labor**

Eliminate and prevent all forms of child labor.

**2.7 Responsible Hiring**

Comply with relevant laws and regulations, and conduct hiring based on ethical practices. When using a recruitment agency, use an agency that is appropriately licensed and complies with workers' rights.

**2.8 Wages and Benefits**

Comply with relevant laws and regulations, pay employees at least the minimum wage, and avoid unfair wage deductions.

**2.9 Prohibition of Long Working Hours**

Comply with laws, regulations, and any applicable labor-management agreements, properly manage working hours so as not to exceed legal limits, and prevent illegal long working hours.

### **3. Occupational Safety and Health**

**3.1 Ensuring Workplace Safety**

Identify and assess risks related to occupational safety in the workplace. Ensure safety through appropriate design, technology, and management measures. Evaluate the safety risks of machinery and equipment used in operations, and take appropriate safety measures.

**3.2 Preparedness for Emergencies**

In preparation for fires, earthquakes, tornadoes, and other emergencies that threaten the safety of human life and physical safety, create action procedures and implement safety measures necessary to avoid or minimize damage, and thoroughly raise workplace awareness for those procedures/measures.

**3.3 Prevention of Occupational Accidents and Illnesses**

In order to prevent the occurrence of occupational accidents and occupational illness, if an accident, trouble, etc., occurs, identify, evaluate, record, and report on the situation of occurrence, and take appropriate countermeasures and corrective actions.

**3.4 Industrial Hygiene**

Identify and appropriately manage situations involving contact with chemical substances, living organisms, noise, odors, etc., that may have a harmful effect on the human body.

**3.5 Physically Demanding Work**

Identify physically demanding work and work that may damage health, and implement appropriate management to prevent occupational accidents and illnesses.

**3.6 Safety and Health Communication**

Provide opportunities for education and training in languages that workers can understand to enable learning about occupational hazards that may affect the safety and health of workers, as well as related protective measures. Also, establish mechanisms for workers to express their concerns and opinions regarding workplace safety.

**3.7 Ensuring an Environment with Appropriate Sanitation, Food, and Housing**

Provide workers with clean restrooms and drinking water. Maintain a safe and healthy environment when providing food and housing.

**3.8 Promoting the Health of Workers**

Perform appropriate management to ensure the physical/mental health of workers and to prevent health disorders.

## **4. Environment**

### **4.1 Compliance with Environmental Laws and Regulations**

Comply with environmental laws and regulations, obtain and maintain necessary permits and licenses related to environmental conservation, and comply with requests regarding related operation and reporting.

### **4.2 Construction of Environmental Management System**

Construct and operate a company-wide management system for environmental conservation, and continuously reduce environmental impact.

### **4.3 Response to Climate Change**

In order to contribute to the resolution of climate change issues, in addition to your business activities, minimize the amount of energy consumed and the amount of GHG emissions by promoting the efficient use of energy and the expanded use of renewable energy throughout the life cycle of your products and services.

### **4.4 Efficient and Cyclical Use of Resources**

In addition to complying with laws and regulations related to the appropriate processing, recycling, etc., of waste, reduce the amount of waste generated in your business activities and promote the efficient and cyclical use of resources.

### **4.5 Prevention of Pollution**

In accordance with laws and regulations, appropriately manage emissions into the air, water, and soil, prevent or reduce the emission of pollutants, and reduce raw materials that cause emission of pollutants.

### **4.6 Chemical Substance Management**

Based on laws and regulations, identify and appropriately manage chemical substances and other hazardous substances that adversely affect the human body, other living organisms, and the environment. Clearly indicate any such substances that are contained in your product, and safely handle the substances throughout the entire life cycle, including manufacturing, transport, storage, use, recycling, reuse, and disposal.



**4.7 Appropriate Use of Water**

Conserve water resources used in your business activities and the production of raw materials through appropriate management and efficient use of water resources.

**4.8 Conservation of Biodiversity**

Understand the impact of business activities on biodiversity and reduce the negative impact of those activities. Also, work to create positive impact when possible.

## **5. Safety and Quality**

**5.1 Construction of Quality Management System**

Construct and continuously operate/improve company-wide management mechanisms for securing and improving quality.

**5.2 Ensuring the Safety of Products and Services**

Comply with laws and regulations related to the safety of products and services, and ensure the safety and health of users.

**5.3 Providing Accurate Information on Products and Services**

When providing information on products and services, in order to contribute to the rational selection of final consumers and users, comply with relevant laws and regulations, do not omit or misrepresent information that is important to final consumers and users, and provide factual, unbiased, and comparable information.

## **6. Business Continuity Plan (BCP)**

**6.1 Formulating and Preparing a Business Continuity Plan (BCP)**

In preparation for emergencies such as disasters, establish measures for business continuity and a business continuity plan (BCP).

## **7. Contribution to Regional Society**

**7.1 Contribution to Regional Society**

**While broadly contributing to society through our business activities, we will respect local traditions, cultures, customs, etc., and implement activities that meet the demands and expectations of local communities.**

## **8. Management System for Promotion of These Guidelines**

### **8.1 Construction of Management System for Promotion of These Guidelines**

When making efforts to address the requests described in sections 1. to 7. of these guidelines, construct and operate systems and mechanisms to identify issues and steadily implement responses.

## **Appendix: References**

We referred to the following materials when formulating these Guidelines.

- Universal Declaration of Human Rights  
<https://www.ohchr.org/en/universal-declaration-of-human-rights>
- International Covenants on Human Rights (International Covenant on Economic, Social and Cultural Rights; International Covenant on Civil and Political Rights)  
<https://www.ohchr.org/en/instruments-mechanisms/instruments/international-covenant-economic-social-and-cultural-rights>  
<https://www.ohchr.org/en/instruments-mechanisms/instruments/international-covenant-civil-and-political-rights>
- United Nations Guiding Principles on Business and Human Rights  
<https://www.ungpreporting.org/>
- United Nations Global Compact  
<https://www.unglobalcompact.org/>
- United Nations Office on Drugs and Crime Anti-Corruption Ethics and Compliance Programme for Business: A Practical Guide  
[https://www.unodc.org/documents/corruption/Publications/2013/13-84498\\_Ebook.pdf](https://www.unodc.org/documents/corruption/Publications/2013/13-84498_Ebook.pdf)
- The OECD Guidelines for Multinational Enterprises  
<https://mneguidelines.oecd.org/mneguidelines/>
- Transparency International Business Principles for Countering Bribery  
<https://www.transparency.org/en/publications/business-principles-for-countering-bribery>
- ETI (Ethical Trading Initiative) Base Code  
<https://www.ethicaltrade.org/eti-base-code>
- ILO Declaration on Fundamental Principles and Rights at Work  
[https://www.ilo.org/tokyo/about-ilo/WCMS\\_246572/lang--ja/index.htm](https://www.ilo.org/tokyo/about-ilo/WCMS_246572/lang--ja/index.htm)
- ILO Guidelines on Occupational Safety and Health Management Systems  
[https://www.ilo.org/safework/info/standards-and-instruments/WCMS\\_107727/lang--en/index.htm](https://www.ilo.org/safework/info/standards-and-instruments/WCMS_107727/lang--en/index.htm)
- ILO “general principles and operational guidelines for fair recruitment and the definition of recruitment fees and related costs”  
[https://www.ilo.org/tokyo/information/publications/WCMS\\_736226/lang--ja/index.htm](https://www.ilo.org/tokyo/information/publications/WCMS_736226/lang--ja/index.htm)
- ILO’s International Labour Standards  
<https://www.ilo.org/tokyo/standards/lang--ja/index.htm>  
No. 1: Hours of Work (Industry) Convention, 1919

- No. 14: Weekly Rest (Industry) Convention, 1921
- No. 29: Forced Labour Convention, 1930
- No. 30: Hours of Work (Commerce and Offices) Convention, 1930
- No. 87: Freedom of Association and Protection of the Right to Organise Convention, 1948
- No. 95: Protection of Wages Convention, 1949
- No. 98: Right to Organise and Collective Bargaining Convention, 1949
- No. 100: Equal Remuneration Convention, 1951
- No. 105: Abolition of Forced Labour Convention, 1957
- No. 111: Discrimination (Employment and Occupation) Convention, 1958
- No. 120: Hygiene (Commerce and Offices) Convention, 1964
- No. 131: Minimum Wage Fixing Convention, 1970
- No. 138: Minimum Age Convention, 1973
- No. 155: Occupational Safety and Health Convention, 1981
- No. 170: Chemicals Convention, 1990
- No. 182: Worst Forms of Child Labour Convention, 1999
- No. 183: Maternity Protection Convention, 2000
- No. 181: Private Employment Agencies Convention, 1997
- No. 190: Violence and Harassment Convention, 2019
- No. 196: Weekly Rest (Commerce and Offices) Convention, 1957
- Tokyo 2020 Olympic and Paralympic Games

Sustainable Sourcing Code (3rd Edition)

<https://www.2020games.metro.tokyo.lg.jp/special/watching/tokyo2020/games/sustainability/sus-code/>

- SA8000 Standard  
<https://sa-intl.org/programs/sa8000/>
- RBA (Responsible Business Alliance) Code of Conduct v7.0  
<https://www.responsiblebusiness.org/code-of-conduct/>

(End)

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