



DNP Group
Sustainable Procurement Guidelines
5th Edition

Dai Nippon Printing Co., Ltd.

DNP Group CSR Procurement Guidelines

The following have been established as the guidelines to which the DNP Group and its business partners must adhere so as to fulfill their social responsibilities:

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Establishing a Management System (Requests)

A. Establishing a Management System

Companies must establish management systems to ensure compliance with the code of conduct (items to be complied with) set forth in these guidelines.

B. Supplier Management

Companies must communicate to their suppliers the guidelines and establish a process to monitor their suppliers' compliance with the guidelines. They must also communicate the same to their upstream suppliers.

C. Managing Supply Chain Risk

Companies must make their entire supply chains visible and identify, assess, and work to reduce risks in areas such as human rights, labor, the environment, along with bribery and corruption.

D. Ensuring Business Continuity

Companies must prepare for emergencies that affect their own business or supply chains by formulating measures and response procedures to minimize damage, and must establish a system for business continuity and early recovery.

E. Establishing a Grievance Mechanism

Companies must establish grievance mechanisms that are available to stakeholders, including workers and suppliers in order to prevent misconduct within their own companies and their supply chains.

In addition, handling complaints, steps must take measures to ensure that those making the complaint do not suffer any disadvantage.

F. Disclosing the Activities

Companies must disclose information regarding their actions according to each of these guidelines and relevant laws and regulations.

Code of Conduct (Matters to be complied with)

1. Respecting the Laws and Internationally Recognized Standards

Companies must not only comply with the applicable laws and regulations of their own country and the countries and regions in which they do business, but also must also respect international codes of conduct.

1-1. Respecting the Laws and Internationally Recognized Standards

Companies must respect internationally recognized standards in addition to complying with the laws and regulations of their home country as well as countries and regions where they conduct business.

2. Human Rights and Labor

Companies must not only respect the rights of workers in line with international human rights standards including the ILO core labour standards, but must also comply with relevant laws and regulations.

2-1. Prohibiting Forced Labor

Companies must not use labor obtained through forced, bonded, inhumane prison labor, slavery, or human trafficking. Companies also not force workers to work, and must respect the right of workers to terminate their employment.

2-2. Prohibiting Child Labor and Respecting the Rights of Young Workers

Companies must not allow children who are under the minimum to be employed. Furthermore, companies must not allow young workers under the age of 18 to perform hazardous work that may endanger their health or safety, including night work or overtime.

2-3. Decent Working Hours

Companies must not allow workers to work beyond the maximum working hours set by local laws and regulations, and must appropriately manage working hours and days off, taking into consideration internationally recognized standards.

2-4. Adequate Wages and Allowances

Companies must comply with all applicable laws and regulations regarding payments for work, including minimum wage, overtime payments, along with allowances and deductions required by law. Furthermore, it is expected that companies pay wages at a level that allows workers to support

their basic needs, otherwise known as a living wage.

2-5. Prohibiting Inhumane Treatment

Companies must respect the human rights of workers, must not treat workers in a manner that is, or may be construed as inhumane, including physical or psychological abuse, coercion, or harassment. In addition, companies must ensure that dormitories provided to workers are equipped with facilities for storing personal possessions and valuables. Such dormitories must also provide , and include adequate personal space allowing for entry and exit.

2-6. Prohibiting Discrimination

Companies must not engage in discrimination or harassment. Companies must also consider requests from workers regarding religious practices where appropriate.

2-7. Freedom of Association and Right to Collective Bargaining

In conformance with local laws and regulations, companies shall respect the right to collective bargaining of workers and openly communicate with workers to improve working environments and wage conditions.

3. Health and Safety

In addition to complying with relevant laws and regulations, companies must take into consideration standards, such as ILO health and safety guidelines, to minimize injury and illness to minimize injury and illness in the workplace, and must maintain safe and healthy work conditions.

3-1. Occupational Safety

Companies must identify and evaluate risks regarding occupational safety through proper design, engineering and administrative controls. Reasonable steps must also be taken to protect pregnant and nursing mothers, workers with disabilities and elderly workers.

3-2. Emergency Preparedness

Companies must identify the possibility of emergency situations such as natural disasters or accidents that may adversely effect human life and physical safety, establish procedures in case of emergency to minimize harm to workers and property, install the required equipment, and conduct training and drills so that the required responses can be taken in case of emergency.

3-3. Occupational Injury and Illness

Companies must identify, assess, record, and report the status of occupational injury and illness, and

implement appropriate countermeasures and corrective actions.

3-4. Industrial Hygiene

Companies must identify, assess and appropriately control the risk of workers being exposed to hazardous biological, chemical or physical agents in the workplace.

3-5. Physically Demanding Work

Companies must identify and assess worker exposure to the hazards of physically demanding tasks and appropriately control such work so that it does not lead to occupational injury and illness.

3-6. Machine Safeguarding

Companies must evaluate the machinery used by workers for safety hazards and must provide appropriate safeguarding.

3-7. Health and Safety at Facilities

Companies must appropriately maintain the health and safety of facilities and accommodation provided to workers (such as dormitories, cafeterias toilets). Companies must also provide appropriate evacuation routes in dormitories.

3-8. Health and Safety Communication

Companies must provide appropriate health and safety education and training regarding various occupational hazards that workers may be exposed to via languages and methods that workers can understand. Companies must also provide a system for receiving feedback on safety from workers.

3-9. Worker Health Management

Companies must conduct appropriate health management for all workers. They must also support the maintenance and promotion of workers' physical and mental health, and make efforts to achieve health and productivity management.

4. Environment

Companies must actively address global environmental issues such as resource depletion, climate change, as well as address regional environmental problems, and must take into account the health and safety of the relevant local community.

4-1. Environmental Permits and Reports

Companies must obtain the permits and approvals required for conducting business as well as register

and report according to local laws and regulations.

4-2. Reducing Energy Consumption and Greenhouse Gas Emissions

Companies must make efforts to improve energy efficiency and set voluntary greenhouse gas emission targets so as to limit global warming to 1.5°C, as outlined in the Science Based Targets (SBT). Companies must also work on continuous reduction activities and the active introduction of renewable energy.

4-3. Air Emissions

Companies must comply with relevant laws and regulations and implement appropriate measures for reducing the emission of hazardous substances to the atmosphere.

4-4. Water Management

Companies must comply with laws and regulations, monitor the source, usage, and discharge of water used, and save water. All wastewater must be tested as required, and monitored, controlled, and processed before discharge or disposal. Sources of pollution that may cause water pollution must also be identified and appropriately managed.

4-5. Effective Utilization of Resources and Waste Management

Companies must promote the purchase of eco-friendly products with low environmental burdens and the procurement of raw materials that show consideration for bio-diversity. At the same time, by complying with laws and regulations and performing appropriate management, companies must promote the R's of Reduction, Reuse and Recycling, aim for the effective use of resources and minimize the generation of waste materials.

4-6. Chemical Substance Management

Companies must comply with laws and regulations to identify, label, and manage chemical and other substances posing hazard to humans or the environment, and conduct management to ensure safe handling, transport, storage, use, recycling, reuse, or disposal of such substances.

4-7. Managing the Chemical Substances Contained in Products

Companies must comply with the following items as stipulated in the DNP Group Green Purchasing Guidelines for Chemical Substances in order to properly identify and manage the chemical substances contained in raw materials, supplies, and products.

- (1) Establishment of Chemical Substances Management System for products
- (2) Chemical Substances Management System Standards for products

5. Fair Trading and Ethics

Companies must not only comply with laws and regulations, but also act with integrity in accordance with social ethics.

5-1. Preventing Corruption

Companies must not be involved in bribery, corruption, blackmail, or embezzlement in any form.

5-2. Prohibiting Inappropriate Provision and Improper Benefit

Companies must not provide or accept any promises, propositions, or approvals as a means of obtaining bribes or any other illicit or inappropriate benefit.

5-3. Fair Information Disclosure

Companies must disclose information regarding labor, health and safety, environmental activities, business activities, organizational structure, financial situation, and performance according to applicable laws and regulations and industry practices. Falsification of records or the disclosure of false information is not allowed.

5-4. Respecting Intellectual Property

Companies must respect intellectual property rights and the transfer of technology and expertise must be performed in a manner where intellectual property is protected. Companies must also protect the intellectual property of third parties such as customers and suppliers.

5-5. Conducting Fair Business

Companies must engage in fair business, competition, and advertising.

5-6. Protecting Whistleblowers

Companies must protect the confidentiality of information regarding whistleblowing and the anonymity of whistleblowers, and avoid retaliations towards whistleblowers.

5-7. Proper Import/Export Control

Suppliers are requested to comply with the Foreign Exchange and Foreign Trade Act (the Foreign Exchange Act), the Washington Convention, other import - export related laws, international agreements such as the Wassenaar Arrangement, along with United Nations Security Council resolutions, and to establish a clear management system and carry out appropriate import/export procedures. In addition, suppliers are requested to strictly comply with the regulations of the Foreign Exchange Act and the economic sanctions related laws and regulations of each country.

5-8. Responsible Minerals Procurement

Companies must exercise due diligence to determine whether the minerals contained in manufactured products such as tantalum, tin, tungsten, gold, cobalt, mica, aluminum, copper, lithium, and nickel cause or contribute to serious human rights abuses, environmental destruction, corruption, or conflict in Conflict-Affected and High-Risk Areas.

6. Quality and Safety

Companies must ensure the safety and quality of the products and services it provides, and must provide accurate information.

6-1. Ensuring Product Safety

Companies must not only comply with applicable domestic and international laws and regulations, in order to meet the needs and expectations of customers they must also place top priority on ensuring product safety, and conduct thorough safety evaluations, while also responding rapidly and appropriately to prevent damage from spreading in the event of an accident.

6-2. Quality Assurance

Companies must thoroughly conduct safety and reliability evaluations, establish an appropriate production system that meets product requirements, and maintain and continually improve the quality system for managing that system in order to gain the trust of customers and ensure their ongoing satisfaction through the provision of products and services.

6-3. Providing Accurate Information on Products and Services

Companies must provide correct and accurate information on products and services in order to gain customer trust and ensure the safety and security of consumers.

7. Information Security

Companies must take measures to prevent leaks of confidential information and personal information, and must strengthen information security measures..

7-1. Defense from Cyber Attacks

Companies must implement protective measures against threats such as cyber attacks and conduct management to prevent damage to the company and others.

7-2. Protecting Personal Information

Companies must comply with relevant laws, regulations and rules, and protect all personal

information of suppliers, customers, consumers and workers.

7-3. Preventing Leak of Confidential Information

Companies must appropriately manage and protect the confidential information not only of their own but also received including from customers and third parties.

8. Business Continuity Planning

Companies must make preparations to ensure they can resume production activities in as rapid a manner as possible in order to fulfill their supply responsibilities in the event that a company or a business partner is affected by a large-scale natural disaster, accident, disease outbreak, geopolitical risk, terrorism or riots.

8-1. Developing and Preparing a Business Continuity Plan

Companies must identify and assess risks to business continuity, examine their impact on the business, and establish preparatory measures required in the medium to long term and a business continuity plan (BCP) that indicates the status of those initiatives.

Contribution to Society (Recommendations)

1. Contribution to Society

Companies shall actively engage in social contribution activities that contribute to the development of international and local communities.

1-1. Contribute to society and community

Companies must utilize their own management resources and independently perform activities that contribute to the development of both international society and local communities.

history

No	Date of revision	Revision history
1st edition	March 2006	● Establishment of DNP Group CSR Procurement Criteria
2nd edition	March 2011	<ul style="list-style-type: none"> ● Revision to definition of supplier ● Clarified wording via reference to the DNP Group Code of Conduct and other policies
3rd edition	March 2017	<ul style="list-style-type: none"> ● Name changed DNP Group CSR Procurement Guidelines and completely revised. ● Prepared with reference to the Japan Electronics and Information Technology Industries Association (JEITA) Guidebook on Responsible Business Conduct Guidelines aimed at promoting CSR in the supply chain and the Responsible Business Alliance (RBA) Code of Conduct, and also with reference to the DNP Group Code of Conduct and other policies.
4th edition	November 2020	<ul style="list-style-type: none"> ● Overall structure reorganized into "requests," "matters to comply with" and "recommendations," and completely revised. ● Prepared with reference to the JEITA Guidebook on Responsible Business Conduct Guidelines aimed at promoting CSR in the supply chain and the RBA Code of Conduct, and also with reference to the DNP Group Code of Conduct and other policies.
Edition 4.1	May 2023	● Partial revision (addition of four new minerals as target minerals for Responsible Minerals Assurance Process).
5th edition	July 2024	<ul style="list-style-type: none"> ● Name changed to DNP Group Sustainable Procurement Guidelines and two new requirements added. ● Entire content reviewed in light of the latest trends in international standards, national laws and regulations.