

Note: The original document is issued in Japanese language. If any discrepancies in translation, the Japanese version shall be prevailed.

Nagaoka International Corporation

CSR Procurement Guidelines

First Edition

— Commitment to Sustainable Procurement and Social Responsibility —



Table of Contents

1. Sustainability Policy	3
2. Commitments Expected from Our Business Partners	4
3. Corporate Code of Conduct	5
(1) Compliance with Laws and Respect for International Norms	5
(2) Human Rights and Labor	5
(2-1) Prohibition of Forced Labor	5
(2-2) Prohibition of Child Labor and Consideration for Young Workers	5
(2-3) Consideration for Working Hours	5
(2-4) Appropriate Wages and Allowance	5
(2-5) Prohibition of Inhumane Treatment	5
(2-6) Prohibition of Discrimination	5
(2-7) Freedom of Association	6
(3) Occupational Safety and Health	6
(3-1) Occupational Safety	6
(3-2) Emergency Preparedness	6
(3-3) Occupational Accident and Diseases	6
(3-4) Occupational Health	6
(3-5) Consideration for Physically Demanding Work	6
(3-6) Safety Measures for Machinery and Equipment	6
(3-7) Facility Safety and Hygiene	7
(3-8) Safety and Health Communication	7
(3-9) Worker Health Management	7
(4) Environment	7
(4-1) Environmental Permits and Reporting	7
(4-2) Reduction of Energy Consumption and Greenhouse Gas Emissions	7
(4-3) Emissions to the Atmosphere	7
(4-4) Water Management	7
(4-5) Resource Efficiency and Waste Management	8
(4-6) Chemical Substance Management	8
(4-7) Management of Chemical Substances in Products	8
(5) Fair Business Practices and Ethics	8
(5-1) Anti-Corruption	8
(5-2) Prohibition of Bribery Improper Benefits	8
(5-3) Appropriate Information Disclosure	8

(5-4)Respect for Intellectual Property	8
(5-5) Fair Business Conduct.....	9
(5-6) Protection of Whistleblowers	9
(5-7) Responsible Material Procurement.....	9
(6) Quality and Safety	9
(6-1) Ensuring Product Safety.....	9
(6-2) Quality Management	9
(6-3) Providing Accurate Product and Service Information	9
(7) Information Security	9
(7-1) Defense Against Cyber Attacks	10
(7-2) Protection of Personal Information.....	10
(7-3) Prevention of Confidential Information Leaks	10
(8) Business Continuity Planning	10
(8-1) Formulation and Preparation of Business Continuity Plans	10
4. Establishing a Management System	11
(1) Establishing a Management System.....	11
(2) Management of Suppliers.....	11
(3) Appropriate Import and Export Management.....	11
(4) Establishment of a Complaint Handling Mechanism	11
(5) Disclosure of Initiatives.....	11

1. Sustainability Policy

Nagaoka International Corporation (hereinafter referred to as “NIC”) aims to be an enterprise that earns the broad trust and expectations of society, as a member of the community and as a company operating in the global market.

NIC recognizes the impact of its business activities on the environment and society, is committed to addressing social issues through corporate activities aligned with its corporate vision. By upholding the principles of the United Nations Global Compact and proactively promoting initiatives toward the SDGs, NIC seeks to contribute to a sustainable and responsible society.

(1) Human Rights

NIC is committed to supporting and respecting internationally recognized human rights and strives to ensure that none of NIC’s business activities are involved in any violations of human rights.

(2) Labor

NIC is committed to upholding internationally recognized labor standards. NIC supports the effective recognition of freedom of association, and the right to collective bargaining, the elimination of all forms of forced or compulsory labor, the effective abolition of child labor, and the elimination of discrimination in employment and occupation

(3) Environment

NIC supports a precautionary approach to environmental challenges, takes a leading role in fulfilling its environmental responsibilities, and promotes the development and dissemination of environmentally friendly technologies.

(4) Anti-Corruption

NIC is committed to preventing all forms of corruption, including extortion and bribery.

Date of Enactment: December 10, 2025

Latest Date of Revision: December 10, 2025

President and CEO

Yasuhisa Umezu

2. Commitments Expected from Our Business Partners

Based on NIC's Sustainability Policy, NIC clearly outlines the corporate conduct expected of NIC's business partners, as well as requirements necessary to build a sustainable supply chain, in "3 Corporate Conduct Guidelines" and "4. Establishment of Management Systems". NIC requests that you ensure compliance with these requirements not only within your own organization but also across your relevant suppliers. If significant violations of the Corporate Conduct Guidelines or the Establishment of Management Systems are identified, NIC will request prompt corrective action. Should improvements not be made, NIC may suspend or review the business relationship.

To ensure the effectiveness of these guidelines, NIC may periodically review your implementation status through our CSR Procurement Self-Assessment Questionnaire or request your cooperation with third-party audits conducted by external audit organizations. NIC appreciates your active cooperation in these efforts.

3. Corporate Code of Conduct

(1) Compliance with Laws and Respect for International Norms

Companies must comply with applicable laws and regulations in their home country as well as in the countries and regions where they operate and must also respect internationally recognized norms and standards.

(2) Human Rights and Labor

Companies must comply with relevant laws and regulations and must also respect the human rights of workers by referring to international human rights standards, including the ILO Core Labor Standards.

(2-1) Prohibition of Forced Labor

Companies must not use labor obtained through coercion, confinement, inhumane prison labor, slavery, or human trafficking. They must also ensure that all employment is voluntary and that workers have the right to resign or terminate their employment freely.

(2-2) Prohibition of Child Labor and Consideration for Young Workers

Companies must not employ children below the minimum working age. They must also ensure that young workers under the age of 18 are not assigned to hazardous work, including night shifts or overtime, that could compromise their health or safety.

(2-3) Consideration for Working Hours

Companies must not require workers to work beyond the limits set by the laws and regulations of the region in which they operate. They must properly manage workers' working hours and days off, in accordance with international standards.

(2-4) Appropriate Wages and Allowances

Companies must comply with all applicable laws and regulations regarding compensation paid to workers, including minimum wages, overtime pay, and legally mandated allowances and deductions. They should also strive to provide wages at a level sufficient to cover basic living expenses (a living wage).

(2-5) Prohibition of Inhumane Treatment

Companies must respect workers' human rights and must not subject workers to inhumane treatment, including mental or physical abuse, coercion, harassment, or any actions that could result in such treatment.

(2-6) Prohibition of Discrimination

Companies must not engage in discrimination or harassment. They must also respect and give appropriate consideration to workers' requests regarding religious practices.

(2-7) Freedom of Association

Companies must respect workers' right to organize as a means to facilitate labor-management consultations on working conditions, wage levels, and other matters, while complying with local laws and regulations.

(3) Occupational Safety and Health

Companies must comply with relevant laws and regulations and take into account the ILO Occupational Safety and Health Guidelines and other relevant standards. They must implement measures to minimize work-related injuries and physical or mental illnesses among workers, thereby ensuring a safe and hygienic working environment.

(3-1) Occupational Safety

Companies must identify and assess occupational safety risks and ensure safety through appropriate design, technical, and managerial measures. They must also give reasonable consideration to pregnant women and nursing mothers.

(3-2) Emergency Preparedness

Companies must prepare for emergencies, such as disasters or accidents, that could endanger human life or physical safety. This includes identifying potential risks, establishing emergency response procedures to minimize harm to workers and assets, installing necessary equipment, and providing education and training to ensure that these measures can be effectively implemented during an emergency.

(3-3) Occupational Accidents and Diseases

Companies must identify, evaluate, record, and report occupational accidents and occupational diseases, and implement appropriate preventive measures and corrective actions.

(3-4) Occupational Health

Companies must identify and evaluate risks of worker exposure to harmful biological, chemical, and physical agents in the workplace, and implement appropriate controls measures.

(3-5) Consideration for Physically Demanding Work

Companies must identify and evaluate physically demanding work and manage it appropriately to prevent occupational accidents and occupational diseases.

(3-6) Safety Measures for Machinery and Equipment

Companies must evaluate whether the machinery and equipment used by workers in their duties pose any safety risks and implement appropriate safety measures.

(3-7) Facility Safety and Hygiene

Companies must ensure the appropriate safety and hygiene of facilities provided for workers' daily use such as cafeterias and restrooms.

(3-8) Safety and Health Communication

Companies must provide appropriate safety and health education and training on various potential workplace hazards, using language and methods workers can understand. They must also establish mechanisms for workers to provide feedback on safety-related concerns.

(3-9) Worker Health Management

Companies must implement appropriate health management measures for all workers.

(4) Environment

Companies must actively address global environmental issues, such as resource depletion, climate change, and environmental pollution, while also considering local environmental issues to ensure the health and safety of people in the relevant communities.

(4-1) Environmental Permits and Reporting

Companies must comply with the laws and regulations of the locations where they operate, obtain the necessary permits and approvals for their operations, and complete all required registrations and reporting.

(4-2) Reduction of Energy Consumption and Greenhouse Gas Emissions

Companies must strive to improve energy efficiency and engage in continuous efforts to reduce energy consumption and greenhouse gas emissions.

(4-3) Emissions to the Atmosphere

Companies must comply with relevant laws and regulations and implement appropriate measures to reduce emissions of harmful substances into the atmosphere.

(4-4) Water Management

Companies must comply with applicable laws and regulations, monitor the sources, use, and discharge of water, and implement water conservation measures. All wastewater must be identified, monitored, controlled, and treated as necessary before discharge or disposal. Companies must also identify potential sources of water pollution and

manage them appropriately.

(4-5) Resource Efficiency and Waste Management

Companies must comply with applicable laws and regulations, promote the principles of reduce, reuse, and recycle through proper management, strive for effective resource utilization, and minimize waste generation.

(4-6) Chemical Substance Management

Companies must comply with applicable laws and regulations, identify, label, and manage chemical substances and other materials that pose risks to human health or the environment, and ensure their safe handling, transportation, storage, use, recycling or reuse, and disposal.

(4-7) Management of Chemical Substances in Products

Companies must comply with all applicable laws, regulations, and customer requirements regarding the restriction or prohibition of specific substances contained in products.

(5) Fair Business Practices and Ethics

Companies must conduct business activities based on high ethical standards, going beyond mere compliance with laws and regulations.

(5-1) Anti-Corruption

Companies must not engage in any form of bribery, corruption, extortion, or embezzlement.

(5-2) Prohibition of Bribery Improper Benefits

Companies must not offer, provide, or condone promises, offers, or permissions to obtain bribes or other improper or inappropriate benefits.

(5-3) Appropriate Information Disclosure

Companies must disclose information regarding labor, health and safety, environmental activities, business operations, organizational structure, financial condition, and performance in accordance with applicable laws, regulations, and industry practices. Falsification of records or providing false information is strictly prohibited.

(5-4) Respect for Intellectual Property

Companies must respect intellectual property rights, and the transfer of technology and know-how must be conducted in a manner that safeguards these rights. They must also protect the intellectual property of third parties,

including customers and suppliers.

(5-5) Fair Business Conduct

Companies must conduct business, competition, and advertising in a fair and ethical manner.

(5-6) Protection of Whistleblowers

Companies must protect the confidentiality of information related to whistleblowing and the anonymity of whistleblowers, must prevent any retaliation against them.

(5-7) Responsible Material Procurement

Companies must appropriately manage the procurement of minerals, such as tantalum, tin, tungsten, and gold, contained in the products they manufacture, to ensure that their use does not 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 they provide, must supply accurate information.

(6-1) Ensuring Product Safety

Companies must design, manufacture, and sell products that meet safety standards set by national laws and regulations or customer requirements, ensuring adequate product safety and fulfilling their responsibilities as suppliers.

(6-2) Quality Management

Companies must comply with all applicable laws and regulations regarding the quality of their products and services, must also adhere to their own quality standards and customer requirements.

(6-3) Providing Accurate Product and Service Information

Companies must provide accurate and non-misleading information about their products and services.

(7) Information Security

Companies must prevent the leakage of confidential information and personal data, must strive to enhance information security.

(7-1) Defense Against Cyber Attacks

Companies must implement defensive measures against threats such as cyberattacks, must work to prevent incidents and respond promptly.

(7-2) Protection of Personal Information

Companies must comply with relevant laws and regulations, must appropriately manage and protect all personal information related to suppliers, customers, consumers, employees, and other stakeholders.

(7-3) Prevention of Confidential Information Leaks

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

(8) Business Continuity Planning

Companies must prepare to resume production activities as quickly as possible to fulfill their supply responsibilities if they or their business partners are affected by large-scale natural disasters or other similar events.

(8-1) Formulation and Preparation of Business Continuity Plans

Companies must identify and assess risks that could disrupt business continuity, thoroughly evaluate their impact on operations, and develop a Business Continuity Plan (BCP) that outlines necessary mid- to long-term countermeasures and the status of their implementation.

4. Establishing a Management System

(1) Establishing a Management System

Companies must establish a management system to ensure compliance with this code of conduct.

(2) Management of Suppliers

Companies must establish processes to communicate the requirements of this code of conduct to suppliers and monitor suppliers' compliance with the code.

(3) Appropriate Import and Export Management

Companies must establish clear management systems and implement appropriate import and export procedures for technologies and goods regulated by applicable laws and regulations.

(4) Establishment of a Complaint Handling Mechanism

Companies must establish a complaint handling mechanism that is accessible to stakeholders, including workers and suppliers, to prevent misconduct within their operations and supply chain.

(5) Disclosure of Initiatives

Companies must disclose information regarding their efforts to comply with these Guidelines and applicable laws and regulations.

For inquiries regarding these Guidelines, please contact the following:

CSR Procurement Guidelines

First Edition Published: December 10, 2025

Issued by: Nagaoka International Corporation

7F Nomura Osaka bldg., 1-8-15,

Azuchimachi, Chuo-ku, Osaka, Japan

TEL: +81-6-6261-6600

FAX: +81-6-6261-6607

E-Mail: nic_sustainability@nagaokajapan.co.jp