



# **CODE OF CONDUCT**

## **Company Policy**



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## 0 Preliminary notes

### 0.1 History of revisions

Effective date	BP version Nr.	Section(s)	Page(s)	Reason(s) of the change
15.04.2024	1.0	All	All	Document creation

### 0.2 Preface

This policy defines the legal, social, ethical, and environmental standards that NAGASE (EUROPA) GmbH and its business partners respect and observe.

The content therefore does not solely apply to NAGASE (EUROPA) GmbH itself, but also defines the requirements that our business partners are asked to observe to establish and maintain a successful cooperation with NAGASE (EUROPA) GmbH.

We expect our business partners to ensure that these expectations and requirements are communicated to their employees and management.

The term “business partners” mostly relates, but is not strictly limited, to material and service suppliers to NAGASE (EUROPA) GmbH. These entities we collaborate with are also often only referred to as “partners” in the below sections.

In addition, it is important that our direct suppliers communicate these expectations and minimum requirements along the supply chain to ensure their application in all steps of product manufacturing and distribution.

### 0.3 Compliance hotline

To enable confidential reporting of violations of compliance rules, the NAGASE Group has set up suitable contact points for internal and external use.

Further details are outlined in the NAGASE compliance information sheet, which is available upon request.

#### 0.3.1 Internal contact point

Risk Management & Compliance Committee, NAGASE & CO., LTD.

Email: [compliance@nagase.co.jp](mailto:compliance@nagase.co.jp)

#### 0.3.2 External contact point

Atsumi & Sakai Europa Rechtsanwalts- und Steuerberatungsgesellschaft mbH

13 Fl. Operturm, Bockenheimer Landstraße 2-4, 60306 Frankfurt am Main, Germany

Email: [nagase.hotline.eu@aplav.de](mailto:nagase.hotline.eu@aplav.de)

See leaflet for national toll-free telephone numbers.

## **1 Ethics, integrity, and responsible business practices**

### **1.1 Laws and regulations**

NAGASE (EUROPA) GmbH and its partners operate in full compliance with international, national, and domestic laws and regulations applicable to their business operations and obtain all necessary permits to perform their activities.

### **1.2 Anti-corruption and anti-bribery**

NAGASE (EUROPA) GmbH and its partners do not tolerate corruption, bribery, and extortion and abide to all applicable anti-corruption laws and regulations of the countries in which they operate, including international anti-corruption conventions.

The Company acts against any form of corruption practice. This is facilitated by adopting anti-bribery policies, educating employees, and taking actions against any acts of corruption and bribery. Comparable activities are expected from our partners.

### **1.3 Conflicts of interest prevention**

NAGASE (EUROPA) GmbH and its partners do make decisions solely based on objective criteria and encourage the disclosure of any situation that might appear as a conflict of interest.

### **1.4 Anti-money laundering and prohibition of terrorism financing**

NAGASE (EUROPA) GmbH and its partners ensure compliance with all applicable laws and regulations against money laundering and terrorism financing.

If there are facts which indicate that a case of money laundering has occurred, report to the competent authorities shall be considered.

### **1.5 Export controls and economic sanctions**

NAGASE (EUROPA) GmbH and its partners maintain and enforce policies, procedures, and safeguards to ensure compliance with applicable customs regulations, restrictive export/import measures, and economic sanctions.

(1) The following shall be considered:

- Compliance with all applicable sanctions and export control laws and regulations
- Usage prevention of funds or economic resources directly or indirectly related to business relationships with sanctioned persons or parties.
- Prevention of otherwise engagement, directly or indirectly, in any activity that would constitute a violation of restrictive measures.

(2) It must be ensured that the items or goods sold, exported, delivered, or transferred as part of the business relationship between NAGASE (EUROPA) GmbH and its partners are either

- not subject to any restrictions due to applicable sanctions or export control measures, or,
- in case of applicable restrictions for the export of such items, prior authorizations from a competent authority have been obtained.

## 1.6 Fair competition

NAGASE (EUROPA) GmbH and its partners behave openly and fairly in the marketplace, value free and fair competition in international business, and comply with anti-trust and competition laws.

## 1.7 Data protection and data security

NAGASE (EUROPA) GmbH and its partners respect individuals' privacy and accordingly ensure the suitable, confidential, and responsible use and protection of personal data, in compliance with all applicable laws.

They ensure that all personal data and other confidential information are appropriately collected, processed, secured, stored, and cannot be accessed without proper authorization.

## 1.8 Confidentiality, intellectual property, and counterfeit prevention

NAGASE (EUROPA) GmbH and its partners adequately and effectively protect all confidential information exchanged, regardless of whether it is owned directly or owned by third parties.

NAGASE (EUROPA) GmbH and its partners respect intellectual property rights (including copyrights, software, designs, know-how, patents, and trademarks) and protect customer and supplier information by managing proprietary technologies and other know-how in a manner that protects intellectual property rights.

NAGASE (EUROPA) GmbH and its partners implement and maintain effective methods to minimize the risk of introducing counterfeit parts or materials into the supply chain.

## 1.9 Accounting

NAGASE (EUROPA) GmbH and its partners keep accurate records of their business expenses, and an appropriate financial reporting system is established. Business transactions are conducted in a transparent manner and reflected in financial reports and records.

## 1.10 Product compliance and safety

NAGASE (EUROPA) GmbH and its partners adequately ensure the safety of their products and the conformity with relevant laws and regulations.

While the scope and significance of product safety related matters is progressively increasing, NAGASE (EUROPA) GmbH employs a chemical compliance department to ensure the unexceptional abidance to all relevant laws and regulations. Particular attention is paid to specially regulated or restricted substance groups. These include, among various others:

- REACH,
- SVHC (Substances of Very High Concern),
- POP (Persistent Organic Pollutants)
- PFAS (Per and Polyfluoroalkyl Substances)

## 2 Corporate social responsibility (CSR)

Social responsibility in general and the respect for internationally recognized human rights in particular are a vital common ground for all business relationships between NAGASE (EUROPA) GmbH and its partners.

Guidelines considered in a proper implementation of the principles relevant to these matters include the following:

- International Bill of Human Rights,
- UN Guiding Principles on Business and Human Rights,
- OECD Guidelines for Multinational Enterprises,
- ILO Core Labor Standards,
- Principles of the UN Global Compact,
- Other applicable supply chain legislation.

### 2.1 Human rights

NAGASE (EUROPA) GmbH and its partners respect internationally recognized human rights, and actively protect those rights of individuals or groups, irrespective of their nationality, place of residence, sex, national or ethnic origin, colour, religion, or any other status.

### 2.2 Child labour prohibition and young workers rights

NAGASE (EUROPA) GmbH and its partners do not tolerate child labour within their own operations or among direct suppliers. It shall be ensured that persons under the applicable legal minimum working age are neither employed directly nor indirectly. Regulations for the protection of employees under the age of 18 are respected.

### 2.3 Modern slavery, forced labour and unethical recruiting

NAGASE (EUROPA) GmbH and its partners do not tolerate the use of any kind of slavery, servitude, forced or compulsory labour, or human trafficking.

This includes the explicit condemnation and rejection of the following unacceptable practices:

- Deceiving potential employees about the nature of the work,
- Request payment of recruitment fees or unreasonable transportation fees,
- Confiscation, destruction or retention of employee passports and other official identification documents,
- Forcing involuntary use of company-provided accommodations without any operational reason.

### 2.4 Working hours

NAGASE (EUROPA) GmbH and its partners ensure compliance with all applicable national regulations for working hours including overtime, maximum hours, and rest periods.

Regardless of regulations valid for the place of operation, a maximum of 48 hours per regular workweek with a rest period of at least 24 consecutive hours every seven days shall apply globally to prevent excessive physical and mental fatigue of the respective employees.



## **2.5 Freedom of association and collective bargaining**

NAGASE (EUROPA) GmbH and its partners respect the right of all employees to form and join trade unions and employee representations.

Employees shall be allowed to participate in collective bargaining and strikes. Any form of discrimination or retaliation based on union activity shall be excluded.

Even if such rights are limited or not provided for by local law, it is ensured that employees may address concerns without fear of intimidation, harassment, or retaliation.

## **2.6 Non-discrimination**

### **2.6.1 General**

NAGASE (EUROPA) GmbH and its partners respect the human rights of employees, promote diversity, equity, and inclusion, ensure fair treatment, and offer all employees equal opportunities.

It shall always be ensured that the working environment is free from retaliation, discrimination, intimidation, harassment, or any other improper conduct, for example based on ethnic descent, origin, nationality, religion, ideology, gender, sexual orientation, gender identity, age, disability, medical condition, race, colour, social background, or any other characteristics.

### **2.6.2 Inclusion of people with disabilities**

The NAGASE Group is aiming to create a working environment in which people with and without disabilities can collaborate constructively. NAGASE respects the abilities of every employee and promotes an environment with reasonable accommodations for disabilities in which every employee can excel.

NAGASE (EUROPA) GmbH fully embraces these efforts and encourages its business partners to drive the inclusion of people with disabilities wherever the opportunity arises.

## **2.7 Diversity**

### **2.7.1 General**

The NAGASE Group believes that diversity is an important part of overall corporate strategy. To appropriately respond to changes in the environment, it needs to be ensured that human resources with a wide variety of ideas and perspectives are available.

Having a diverse range of employees encourages more dynamic discussions and leads to new ideas that become the source of competitive advantage in the market. This in turn leads to the growth of both the NAGASE Group and each individual employee.

NAGASE (EUROPA) GmbH fully embraces these concepts of the parent company and expects its partners to do so. This particularly includes the empowerment of female employees.

### **2.7.2 Empowerment of women at work**

The NAGASE Group regards the success of female employees as one of its important initiatives to promote diversity. Efforts are made to proactively utilize women's strengths in our business by hiring women in career-track positions, appointing them to management positions, and expanding opportunities for them to play active roles.

## 2.8 Health and safety

NAGASE (EUROPA) GmbH and its partners provide all processes, resources, and standards to assure compliance with applicable occupational health, safety, and fire safety legislation.

Regular risk assessments, reporting, and employee training shall be performed to prevent accidents and occupational diseases from occurring.

When defining suitable measures to facilitate effective OHS, the following aspects shall be considered in particular:

- Emergency preparedness
- Incident and accident management
- Workplace ergonomics
- Handling of chemical and/or biological substances
- Fire protection.
- Personal protective equipment (for production facilities)
- Machine safety (for production facilities)

Especially for high-risk operations or larger production entities, the introduction of a management system according to ISO 45001 or similar auditable standard is highly recommended.

## 2.9 Wages and benefits

All members of the NAGASE Group conduct labour management in compliance with the laws and regulations of each country. In terms of wages, the policy is not only to comply with the minimum wage regulations in each country, but to pay wages above the minimum wage.

The partners of NAGASE (EUROPA) GmbH undertake to pay an appropriate living wage, which is at least equivalent to the local minimum wage and is based on the regulations of the place of work.

## 2.10 Conflict minerals

NAGASE (EUROPA) GmbH and its partners ensure full compliance with all applicable due diligence obligations in the supply chain for the procurement of raw materials, in particular conflict minerals (e.g. tin, tantalum, tungsten, and gold, as set out in the Dodd-Frank Act), Wall Street Reform Act, Section 1502, Regulation (EU) 2017/821, and other similar laws.

## 2.11 Prevention of forced eviction, respect of land, forest, and water rights

NAGASE (EUROPA) GmbH and its partners comply with the prohibition of unlawful eviction and deprivation of land, forests, and waters that serve as a person's livelihood.

## 2.12 Use of private or public security forces

NAGASE (EUROPA) GmbH and its partners ensure that the use of private or public security forces does not lead to human rights violations, in particular torture and cruel, inhumane, or degrading treatment or damage to life and limb.

### 2.13 Vulnerable groups

NAGASE (EUROPA) GmbH and its partners respect the rights of minorities, indigenous people, women, children, and other vulnerable groups and strive to avoid any negative impact on them.

This includes compliance with the principles of free, prior, and informed consent of indigenous people in our activities related to their land and its cultivation, as well as the use of other natural resources.

### 2.14 Community engagement

NAGASE (EUROPA) GmbH and its partners respect the rights, the livelihoods, the cultures, and traditions of local communities in each country where they operate. We engage with the local communities, identify their needs, support economic progress, contribute towards sustainable regional development, and deliver a positive social impact.

## 3 Sustainability and environment

### 3.1 General

NAGASE (EUROPA) GmbH has a strong focus on sustainability and environmental issues and expects an equivalent engagement in these matters from its business partners.

While the number and variety of approaches to this topic are very broad, specific areas on the websites of NAGASE (EUROPA) GmbH and its parent company NAGASE Co. Ltd. offer a comprehensive overview of related activities and initiatives.

<https://www.nagase.eu/sustainability/>

<https://www.nagase.co.jp/english/sustainability/environment/>

### 3.2 Key topics

Some environmental topics are particularly relevant to NAGASE (EUROPA) GmbH, and we therefore strongly encourage our partners to constructively contribute to these areas. Environmental key topics include, among others:

- (1) Reduction of Green House Gas emissions,
- (2) Design and application of products that support sustainable alternatives to outdated technologies with unacceptable environmental impact,
- (3) Responsible chemical management,
- (4) Use of sustainable, recycled, and renewable natural resources,
- (5) Reduction of waste production and increase of waste reuse and recycling,
- (6) Increase of energy efficiency and use of renewable energy, where technically and commercially viable,
- (7) Avoidance of negative environmental impacts, such as
  - soil change,
  - pollution, or excessive consumption of water
  - air pollution, or
  - harmful noise emission.

### **3.3 Carbon neutrality and GHG emissions reporting**

The NAGASE Group aims to continuously reduce carbon dioxide emissions with the aim of achieving carbon neutrality by 2050.

NAGASE (EUROPA) GmbH and its partners ensure that their business model and strategy are aligned with the goals of the transition to a sustainable economy in line with the Paris Agreement and the goal of achieving climate neutrality.

As far as the size and nature of the respective operation allows, our business partners provide information on total energy consumption and CO<sub>2</sub> emissions upon request (Scope 1, 2 and 3, according to the GHG Protocol).

### **3.4 Prevention of pollution and resource circulation**

The NAGASE Group has established voluntary control limits that are stricter than the standards set by the Air Pollution Control Act, Water Pollution Prevention Act, local ordinances, and agreements, and is striving to adhere to them. NAGASE works actively to reduce the release of pollutants and protect the natural environment.

The NAGASE Group's environmental policy is to conserve resources and progress towards a circular economy that aims to achieve both, economic growth, and reduction of the environmental impact. This is facilitated by reducing resource consumption, energy input, and waste generation, as well as by creating added value through recycling.

NAGASE (EUROPA) GmbH and its partners support these initiatives of the NAGASE group through dedicated strategies and activities.

### **3.5 Protection of biodiversity and animal welfare**

NAGASE (EUROPA) GmbH and its partners support the protection of ecosystems, especially key biodiversity areas.

All operations shall be set up and performed in accordance with the applicable biodiversity regulations, so that negative effects, such as deforestation, adverse land usage, and reduction of local soil quality are avoided.

NAGASE (EUROPA) GmbH and its partners support animal welfare and promote ethical treatment of animals.

## 4 Business partner support

### 4.1 Partner commitment

All business partners of NAGASE (EUROPA) GmbH are asked to confirm their consent with this code of conduct and support the application of its content in their operations.

While the full compliance with the content of section 1 (Ethics) and section 2 (CSR) is mandatory, it is understood that the content of section 3 (Environment) may be subject to a continuous improvement process.

It is nevertheless expected that a development towards a full environmental compliance is also recognizable in the business partners activities.

### 4.2 Partner declaration

We herewith confirm that we support and implement the content of this code of conduct.

\_\_\_\_\_  
*Company Name*

\_\_\_\_\_  
*Company Address (Building, Street, District)*

\_\_\_\_\_  
*Company Address (PO Code, Town, Country)*

\_\_\_\_\_  
*Authorizer Name*

\_\_\_\_\_  
*Role in Company Organization*

\_\_\_\_\_  
*Date*

\_\_\_\_\_  
*Stamp/Signature*