



Organo Group Supply Chain CSR Promotion Guidebook

The 3rd edition, July 2024

Organo Corporation

Introduction

In recent years, the circumstances surrounding companies have become increasingly diverse and have undergone major changes due to the globalization of corporate activities and the maturation of the information society.

Across society, there has been an increase in corporate scandals and harsh criticism of unethical business practices. This has led to a heightened interest in corporate initiatives to foster a sustainable society.

In this context, companies are expected to fulfill not only their basic responsibilities, such as complying with laws and regulations, but also to actively engage in corporate social responsibility (CSR) as members of society through their business activities.

Based on our management philosophy of “To serve as a valuable partner company by leveraging its leading-edge technologies cultivated through long experience with water treatment, by contributing to the industries that create the future, and by playing a key role in the development of societal infrastructure,” the Organo Group has established the Organo Group Code of Conduct, which is observed by group executives and employees. The Group is also promoting CSR initiatives throughout its operations.

Gist of Organo Group Code of Conduct

- I. Building Trust by Meeting the Expectations of Customers, Business Partners, and Stockholders
- II. Ensuring a Comfortable Workplace Where All Employees Can Realize Their Full Potential
- III. Contributing to the Sound Development of Society

Stakeholders are becoming increasingly interested in the business process as a whole, including how products and services are manufactured and provided. There is a growing need to promote CSR not only within the group but also throughout the entire supply chain. In response to this, we established the Organo Group Supply Chain CSR Promotion Guidebook (hereinafter referred to as the “Guidebook”) in May 2015, with the aim of deepening mutual understanding with our business partners and engaging in CSR activities.

In 2021, the Organo Group launched new businesses in the United States, adding to our existing activities in Japan and across Asia. We took this opportunity to align ourselves more with international standards and in April 2022 we revised the Guidebook, which sets out the standards for our CSR initiatives, bringing it in line with the Responsible Business Alliance’s (RBA) Code of Conduct. The RBA is a global alliance of companies that promotes social responsibility in the global supply chain.

Following the January 2024 revision of the RBA Code of Conduct, we updated the Guidebook once more to keep it aligned with the new Code.

Going forward, we will continue to engage in CSR activities based on the Guidebook, and we will also confirm

the status of our business partners' CSR activities, providing support as necessary.

We kindly ask our business partners to familiarize themselves with the content of the revised Guidebook and continue to cooperate with us in promoting our CSR initiatives.

July 2024

Sustainability Committee
Purchasing & Logistics Department
Organo Corporation

* This Guidebook has been prepared in accordance with Version 8.0 of the Responsible Business Alliance Code of Conduct, issued in 2024.

Organo Group Supply Chain CSR Promotion Guidebook

Contents

A. LABOR	1
1) Prohibition of Forced Labor	
2) Young Workers	
3) Working Hours	
4) Wages and Benefits	
5) Non-Discrimination/Non-Harassment/Humane Treatment	
6) Freedom of Association and Collective Bargaining	
B. HEALTH AND SAFETY	4
1) Occupational Health and Safety	
2) Emergency Preparedness	
3) Occupational Injury and Illness	
4) Industrial Hygiene	
5) Physically Demanding Work	
6) Machine Safeguarding	
7) Sanitation, Food, and Housing	
8) Health and Safety Communication	
C. ENVIRONMENT	7
1) Environmental Permits and Reporting	
2) Pollution Prevention and Resource Conservation	
3) Hazardous Substances	
4) Solid Waste	
5) Air Emissions	
6) Materials Restrictions	
7) Water Management	
8) Energy Consumption and Greenhouse Gas Emissions	
D. ETHICS.....	9
1) Business Integrity	
2) No Improper Advantage	
3) Disclosure of Information	

- 4) Intellectual Property
- 5) Fair Business, Advertising and Competition
- 6) Protection of Identity and Non-Retaliation
- 7) Responsible Sourcing of Minerals
- 8) Privacy

E. MANAGEMENT SYSTEMS 11

- 1) Company Commitment
- 2) Management Accountability and Responsibility
- 3) Legal and Customer Requirements
- 4) Risk Assessment and Risk Management
- 5) Improvement Objectives
- 6) Training
- 7) Communication
- 8) Worker/Stakeholder Engagement and Access To Remedy
- 9) Audits and Assessments
- 10) Corrective Action Process
- 11) Documentation and Records
- 12) Supplier Responsibility

<Revision history> 14

The term “supporting company,” as used in the Guidebook, refers to a company that agrees with the content of the Guidebook and is willing to cooperate with us in promoting our CSR initiatives.

A. LABOR

Supporting companies commit to respect the human rights of workers, and to treat them with dignity. This applies to direct and indirect suppliers, as well as all workers including temporary, migrant, student, contract, direct employees, and any other type of worker.

The labor standards are as follows:

1) Prohibition of Forced Labor

- Forced labor in any form, including but not limited to, bonded (including debt bondage) or indentured labor, involuntary or exploitative prison labor, slavery or trafficking of persons is not permitted. This includes transporting, harboring, recruiting, transferring, or receiving persons by means of threat, force, coercion, abduction or fraud for labor or services.
- There shall be no unreasonable restrictions on workers' freedom of movement in the facility in addition to unreasonable restrictions on entering or exiting company- provided facilities including, if applicable, workers' dormitories or living quarters.
- As part of the hiring process, all workers must be provided with a written employment agreement in their native language, or in a language the worker can understand, that contains a description of terms and conditions of employment.
- Foreign migrant workers must receive the employment agreement prior to the worker departing from his or her country of origin and there shall be no substitution or change(s) allowed in the employment agreement upon arrival in the receiving country unless these changes are made to meet local law and provide equal or better terms.
- All work shall be voluntary, and workers shall be free to leave work at any time or terminate their employment without penalty if reasonable notice is given, which shall be clearly stated in workers' contracts.
- Supporting companies shall maintain documentation on all leaving workers.
- Employers, agents, and sub-agents' may not hold or otherwise destroy, conceal, or confiscate identity or immigration documents, such as government-issued identification, passports, or work permits. Notwithstanding the foregoing, employers can only hold documentation if necessary to comply with the local law. In this case, at no time shall workers be denied access to their documents.
- Workers shall not be required to pay employers' agents or sub-agents' recruitment fees or other related fees for their employment. If any such fees are found to have been paid by workers, such fees shall be repaid to the worker.

2) Young Workers

- Child labor shall not be used in any stage of manufacturing. The term "child" refers to any person under the age of 15, or under the age for completing compulsory education, or under the

minimum age for employment in the country, whichever is greatest.

- Workers under the age of 18 (Young Workers) shall not perform work that is likely to jeopardize their health or safety, including night shifts and overtime.
- Supporting companies shall ensure proper management of student workers through proper maintenance of student records, rigorous due diligence of educational partners, and protection of students' rights in accordance with applicable laws and regulations.
- Supporting companies shall implement an appropriate mechanism to verify the age of workers. The use of legitimate workplace learning programs, which comply with all laws and regulations, is supported. Supporting companies shall provide appropriate support and training to all student workers.
- In the absence of local law, the wage rate for student workers, interns, and apprentices shall be at least the same wage rate as other entry-level workers performing equal or similar tasks.
- If child labor is identified, assistance/remediation shall be provided.

3) Working Hours

- Working hours shall not exceed the maximum set by local law. Further, a workweek shall not be more than 60 hours per week, including overtime, except in emergency or unusual situations.
- All overtime shall be voluntary.
- Workers shall be allowed at least one day off every seven days.

4) Wages and Benefits

- Compensation paid to workers shall comply with all applicable wage laws, including those relating to minimum wages, overtime hours and legally mandated benefits. All workers shall receive equal pay for equal work and qualification. Workers shall be compensated for overtime at pay rates greater than regular hourly rates.
- Deductions from wages as a disciplinary measure shall not be permitted.
- For each pay period, workers shall be provided with a timely and understandable wage statement that includes sufficient information to verify accurate compensation for work performed.
- All use of temporary, dispatch and outsourced labor shall be within the limits of the local law.

5) Non-Discrimination/Non-Harassment/Humane Treatment

- Supporting companies shall commit to a workplace free of harassment and unlawful discrimination.
- There shall be no harsh or inhumane treatment including violence, gender-based violence, sexual harassment, sexual abuse, corporal punishment, mental or physical coercion, bullying, public shaming, or verbal abuse of workers; nor is there to be the threat of any such treatment.
- Companies shall not engage in discrimination or harassment based on race, color, age, gender, sexual orientation, gender identity or expression, ethnicity or national origin, disability,

pregnancy, religion, political affiliation, union membership, covered veteran status, protected genetic information or marital status in hiring and employment practices such as wages, promotions, rewards, and access to training.

- Disciplinary policies and procedures in support of these requirements shall be clearly defined and communicated to workers.
- Workers shall be provided with reasonable accommodation for religious practices and disability.
- In addition, workers or potential workers should not be subjected to medical tests, including pregnancy or virginity tests, or physical exams that could be used in a discriminatory way. This was drafted in consideration of ILO Discrimination (Employment and Occupation) Convention (No.111).

6) Freedom of Association and Collective Bargaining

- Open communication and direct engagement between workers and management are the most effective ways to resolve workplace and compensation issues.
- Workers and/or their representatives shall be able to openly communicate and share ideas and concerns with management regarding working conditions and management practices without fear of discrimination, reprisal, intimidation, or harassment.
- In alignment with these principles, supporting companies shall respect the right of all workers to form and join trade unions of their own choosing, to bargain collectively, and to engage in peaceful assembly as well as respect the right of workers to refrain from such activities.
- Where the right of freedom of association and collective bargaining is restricted by applicable laws and regulations, workers shall be allowed to elect and join alternate lawful forms of worker representations.

B. HEALTH AND SAFETY

Supporting companies recognize that in addition to minimizing the incidence of work-related injuries and illnesses, a safe and healthy working environment enhances the quality of products and services, consistency of production and worker retention and morale. Supporting companies also recognize that ongoing worker input and education are essential to identifying and solving health and safety issues in the workplace.

The health and safety standards are as follows:

1) Occupational Health and Safety

- Worker potential for exposure to health and safety hazards (chemical, electrical and other energy sources, fire, vehicles, and fall hazards, etc.) shall be identified and assessed, mitigated using the Hierarchy of Controls. Where hazards cannot be adequately controlled by these means, workers shall be provided with appropriate, well-maintained, personal protective equipment, and educational materials about risks to them associated with these hazards.
- Gender-responsive measures shall be taken, such as not having pregnant women and nursing mothers in working conditions, which could be hazardous to them or their child and to provide reasonable accommodations for nursing mothers.

2) Emergency Preparedness

- Potential emergency situations and events shall be identified and assessed, and their impact minimized by implementing emergency plans and response procedures including emergency reporting, employee notification and evacuation procedures, worker training, and drills.
- Emergency drills shall be executed at least annually or as required by local law, whichever is more stringent.
- Emergency plans shall also include appropriate fire detection and suppression equipment, clear and unobstructed egress, adequate exit facilities, contact information for emergency responders, and recovery plans.
- Such plans and procedures shall focus on minimizing harm to life, the environment, and property.

3) Occupational Injury and Illness

- Procedures and systems shall be in place to prevent, manage, track and report occupational injuries and illnesses, including provisions to encourage worker reporting, classify and record injury and illness cases, provide necessary medical treatment, investigate cases and implement corrective actions to eliminate their causes, and facilitate the return of workers to work.
- Supporting companies shall allow workers to remove themselves from imminent harm, and not return until the situation is mitigated, without fear of retaliation.

4) Industrial Hygiene

- Worker exposure to chemical, biological, and physical agents shall be identified, evaluated, and controlled according to the Hierarchy of Controls.
- When hazards cannot be adequately controlled, workers shall be provided with and use appropriate, well-maintained, personal protective equipment free of charge.
- Supporting companies shall provide workers with safe and healthy working environments, which shall be maintained through ongoing, systematic monitoring of workers' health and working environments.
- Supporting companies shall provide occupational health monitoring to routinely evaluate if workers' health is being harmed from occupational exposures.
- Protective occupational health programs shall be ongoing and include educational materials about the risks associated with exposure to workplace hazards.

5) Physically Demanding Work

- Worker exposure to the hazards of physically demanding tasks, including manual material handling and heavy or repetitive lifting, prolonged standing, and highly repetitive or forceful assembly tasks shall be identified, evaluated, and controlled.

6) Machine Safeguarding

- Production and other machinery shall be evaluated for safety hazards. Physical guards, interlocks, and barriers shall be provided and properly maintained where machinery presents an injury hazard to workers.

7) Sanitation, Food, and Housing

- Workers shall be provided with ready access to clean toilet facilities, potable water and sanitary food preparation, storage, and eating facilities.
- Worker dormitories provided by the supporting companies or a labor agent shall be maintained to be clean and safe, and provided with appropriate emergency egress, hot water for bathing and showering, adequate lighting, and adequate conditioned ventilation, individually secured accommodations for storing personal and valuable items, and reasonable personal space along with reasonable entry and exit privileges.

8) Health and Safety Communication

- Supporting companies shall provide workers with appropriate workplace health and safety information and training in the language of the worker or in a language the worker can understand for all identified workplace hazards that workers are exposed to, including but not limited to mechanical, electrical, chemical, fire, and physical hazards.
- Health and safety related information shall be clearly posted in the facility or placed in a location

identifiable and accessible by workers.

- Health information and training shall include content on specific risks to relevant demographics, such as gender and age, if applicable.
- Training shall be provided to all workers prior to the beginning of work and regularly thereafter.
- Workers shall be encouraged to raise any health and safety concerns without retaliation.

C. ENVIRONMENT

Across all business functions, supporting companies recognize that environmental responsibility is integral to producing world-class products. Supporting companies shall identify the environmental impacts and minimize adverse effects on the community, environment, and natural resources, while safeguarding the health and safety of the public.

The environmental standards are as follows:

1) Environmental Permits and Reporting

- All required environmental permits (e.g. discharge monitoring), approvals, and registrations shall be obtained, maintained, and kept current and their operational and reporting requirements shall be followed.

2) Pollution Prevention and Resource Conservation

- Emissions and discharges of pollutants and generation of waste shall be minimized or eliminated at the source or by practices such as adding pollution control equipment; modifying production, maintenance, and facility processes; or by other means.
- The use of natural resources, including water, fossil fuels, minerals, and virgin forest products, shall be conserved by practices such as modifying production, maintenance and facility processes, materials substitution, re-use, conservation, recycling, or other means.

3) Hazardous Substances

- Chemicals, waste, and other materials posing a hazard to humans or the environment shall be identified, labeled, and managed to ensure their safe handling, movement, storage, use, recycling or reuse, and disposal.
- Hazardous waste data shall be tracked and documented.

4) Solid Waste

- Supporting companies shall implement a systematic approach to identify, manage, reduce, and responsibly dispose of or recycle solid waste (non-hazardous).
- Waste data shall be tracked and documented.

5) Air Emissions

- Air emissions of volatile organic chemicals, aerosols, corrosives, particulates, ozone depleting substances, and combustion byproducts generated from operations shall be characterized, routinely monitored, controlled, and treated as required prior to discharge.
- Ozone- depleting substances shall be effectively managed in accordance with the Montreal Protocol and applicable regulations.

- Supporting companies shall conduct routine monitoring of the performance of its air emission control systems.

6) Materials Restrictions

- Supporting companies shall adhere to all applicable laws, regulations, and customer requirements regarding the prohibition or restriction of specific substances in products and manufacturing, including labeling for recycling and disposal.

7) Water Management

- Supporting companies shall implement a water management program that documents, characterizes, and monitors water sources, use and discharge; seeks opportunities to conserve water; and controls channels of contamination.
- All waste water shall be characterized, monitored, controlled, and treated as required prior to discharge or disposal.
- Supporting companies shall conduct routine monitoring of the performance of its wastewater treatment and containment systems to ensure optimal performance and regulatory compliance.

8) Energy Consumption and Greenhouse Gas Emissions

- Supporting companies shall establish and report against an absolute corporate-wide greenhouse gas reduction goal.
- Energy consumption and all Scopes 1, 2, and significant categories of Scope 3 greenhouse gas emissions shall be tracked, documented, and publicly reported.
- Supporting companies shall look for methods to improve energy efficiency and to minimize their energy consumption and greenhouse gas emissions.

D. ETHICS

To meet social responsibilities and to achieve success in the marketplace, Supporting companies and their agents shall uphold the highest standards of ethics including the following:

1) Business Integrity

- The highest standards of integrity shall be upheld in all business interactions.
- Supporting companies shall have a zero-tolerance policy to prohibit any and all forms of bribery, corruption, extortion and embezzlement.

2) No Improper Advantage

- Bribes or other means of obtaining undue or improper advantage shall not be promised, offered, authorized, given, or accepted. This prohibition covers promising, offering, authorizing, giving or accepting anything of value, either directly or indirectly through a third party, in order to obtain or retain business, direct business to any person, or otherwise gain an improper advantage.
- Monitoring, record keeping, and enforcement procedures shall be implemented to ensure compliance with anti-corruption laws.

3) Disclosure of Information

- All business dealings shall be transparently performed and accurately reflected on the Supporting companies' business books and records.
- Information regarding supporting companies' labor, health and safety, environmental practices, business activities, structure, financial situation, and performance shall be disclosed in accordance with applicable regulations and prevailing industry practices.
- Falsification of records or misrepresentation of conditions or practices in the supply chain are unacceptable.

4) Intellectual Property

- Intellectual property rights shall be respected. Transfer of technology and know-how is to be done in a manner that protects intellectual property rights, and customer and supplier information shall be safeguarded.

5) Fair Business, Advertising and Competition

- Standards of fair business, advertising, and competition shall be upheld.

6) Protection of Identity and Non-Retaliation

- Programs that ensure the confidentiality, anonymity, and protection of supplier and employee

whistleblowers¹ shall be maintained, unless prohibited by law.

- Supporting companies shall have a communicated process for their personnel to be able to raise any concerns without fear of retaliation.

7) Responsible Sourcing of Minerals

- Supporting companies shall adopt a policy and exercise due diligence on the source and chain of custody of the tantalum, tin, tungsten, gold, and cobalt in the products they manufacture to reasonably assure that they are sourced in a way consistent with the Organization for Economic Co-operation and Development (OECD) Guidance for Responsible Supply Chains of Minerals from Conflict- Affected and High-Risk Areas or an equivalent and recognized due diligence framework.

8) Privacy

- Supporting companies shall commit to protecting the reasonable privacy expectations of personal information of everyone they do business with, including suppliers, customers, consumers, and employees.
- Supporting companies shall comply with privacy and information security laws and regulatory requirements when personal information is collected, stored, processed, transmitted, and shared.

¹ Whistleblower definition: Any person who makes a disclosure about improper conduct by an employee or officer of a company, or by a public official or official body.

E. MANAGEMENT SYSTEMS

Supporting companies shall adopt or establish a management system with a scope that is related to the content of the Guidebook. The management system shall be designed to ensure: (a) compliance with applicable laws, regulations and customer requirements related to the supporting companies' operations and products; (b) conformance with the Guidebook; and (c) identification and mitigation of operational risks related to the Guidebook. It shall also facilitate continual improvement.

The management system shall contain the following elements:

1) Company Commitment

- Supporting companies shall establish human rights, health and safety, environmental and ethics policy statements affirming Supporting companies' commitment to due diligence and continual improvement, endorsed by executive management.
- Policy statements shall be made public and communicated to workers in a language they understand via accessible channels.

2) Management Accountability and Responsibility

- Supporting companies shall clearly identify senior executive and company representative(s) responsible for ensuring implementation of the management systems and associated programs. Senior management reviews the status of the management systems on a regular basis.

3) Legal and Customer Requirements

- Supporting companies shall adopt or establish a process to identify, monitor and understand applicable laws, regulations, and customer requirements, including the requirements of the Guidebook.

4) Risk Assessment and Risk Management

- Supporting companies shall adopt or establish a process to identify the legal compliance, environmental, health and safety², labor practice and ethics risks, including the risks of severe human rights and environmental impacts, associated with supporting companies' operations. Supporting companies shall determine the relative significance for each risk and implement appropriate procedural and physical controls to control the identified risks and ensure regulatory compliance.

² Areas to be included in a risk assessment for environmental health and safety are production areas, warehouse and storage facilities, plant/facilities support equipment, laboratories and test areas, sanitation facilities (bathrooms), kitchen/cafeteria and worker housing/dormitories.

5) Improvement Objectives

- Supporting companies shall establish written performance objectives, targets and implementation plans to improve the supporting companies' social, environmental, and health and safety performance, including a periodic assessment of supporting companies' performance in achieving those objectives.

6) Training

- Supporting companies shall establish programs for training managers and workers to implement Supporting companies' policies, procedures, and improvement objectives and to meet applicable legal and regulatory requirements.

7) Communication

- Supporting companies shall establish process for communicating clear and accurate information about Supporting companies' policies, practices, expectations, and performance to workers, suppliers, and customers.

8) Worker/Stakeholder Engagement and Access To Remedy

- Supporting companies shall establish processes for ongoing two-way communication with workers, their representatives, and other stakeholders where relevant or necessary.
- The process shall aim to obtain feedback on operational practices and conditions covered by the Guidebook, and to foster continuous improvement.
- Workers shall be given a safe environment to provide grievance and feedback without fear of reprisal or retaliation.

9) Audits and Assessments

- Supporting companies shall conduct periodic self-evaluations to ensure conformity to legal and regulatory requirements, the content of the Guidebook, and customer contractual requirements related to social and environmental responsibility.

10) Corrective Action Process

- Supporting companies shall establish a process for timely correction of deficiencies identified by internal or external assessments, inspections, investigations, and reviews.

11) Documentation and Records

- Supporting companies shall create and maintain documents and records to ensure regulatory compliance and conformity to company requirements along with appropriate confidentiality to protect privacy.

12) Supplier Responsibility

- Supporting companies shall establish a process to communicate Guidebook requirements to suppliers and to monitor supplier compliance to the Guidebook.

<Revision history>

- ◆ The 1st edition issued in May 2015
 - Prepared in accordance with the Supply Chain CSR Promotion Guidebook, issued by the Japan Electronics and Information Technology Industries Association (JEITA) in August 2006.

- ◆ The 2nd edition issued in April 2022
 - Revised in accordance with Version 7.0 of the Code of Conduct issued by the Responsible Business Alliance in 2021.

- ◆ The 3rd edition issued in July 2024
 - Revised in accordance with Version 8.0 of the Code of Conduct issued by the Responsible Business Alliance in 2024.