

Mitsubishi Materials Corporation CSR Procurement Guidelines

The Mitsubishi Materials Corporation is an ensemble of companies operating under the composite profile of a comprehensive basic materials manufacturer. We provide resources, basic materials and energy indispensable to modern lifestyles, and adhere to its corporate philosophy of “For People, Society and the Earth.”

The Company's approach to CSR activities hinges on the idea of making this corporate philosophy a reality, through the sincere fulfillment of the obligations and expected roles that society places on corporate citizens, disclosure and proper explanation of the Company's activities to stakeholders, and the pursuit of a deeper level of two-way communication with stakeholders, in order to promote greater mutual understanding.

Mitsubishi Materials Corporation's CSR Guidelines are composed of a Basic Procurement Policy and CSR Procurement Standards. The Basic Procurement Policy clarifies philosophies and standards to be upheld by the Company in executing its procurement duties, while the CSR Procurement Standards clarify standards that the Company requests its suppliers (and their suppliers) to observe and uphold.

These guidelines were established based on the understanding that CSR procurement is not something that can be completed as an internal effort, and that it will only be effective if efforts are made across the entire supply chain.

Basic Procurement Policy

1. Open Door/Fair Trade

When selecting suppliers, we provide a wide range of opportunities for all suppliers to engage in transactions. We select suppliers based on fair and appropriate assessments of quality, price, delivery time, management base and so on, predicated on mutual trust for the sake of mutual prosperity.

2. Legal Compliance

In conducting procurement operations, we comply with legislation in Japan and abroad.

3. Observance of Ethical Procurement

In conducting procurement operations, we do not engage in any inappropriate transfer of profits with suppliers.

4. Working Environment and Occupational Health and Safety

In conducting procurement operations, we strive to improve working environments and ensure occupational health and safety.

5. Environmental Protection and Decarbonization

In conducting procurement operations, we endeavor to protect the environment, and applies every measure for the effective use and recycling of natural resources, and works toward decarbonization.

6. Respect for Human Rights

In conducting procurement operations, we respect the fundamental principles of human rights as declared internationally.

7. Information Security

In conducting procurement operations, we maintain strict confidentiality of information obtained from suppliers.

Mitsubishi Materials Corporation promotes CSR initiatives in all business activities, including procurement of raw materials, development, production, distribution, consumption, disposal, and recycling of materials and products.

CSR Procurement Standards

1. Respect for Human Rights

Suppliers shall respect basic human rights, to not discriminate with regard to employment or treatment, and to not engage in harassment, child labor, forced labor, human trafficking or unfair low-wage labor.

2. Compliance with Legislation and Corporate Ethics

Suppliers shall comply with legislation in Japan and abroad and to not act in ways that go against corporate ethics, including the provision or acceptance of inappropriate benefits and dealing with anti-social individuals or groups.

3. Fair Business Activities

Suppliers must not obstruct free competition, or engage in unfair competition.

4. Safety and Health

Suppliers shall work to ensure and improve safety and health, such as by preventing occupational accidents.

5. Development of Working Environment and Working Hours

Suppliers shall uphold the Labor Standards Act and endeavor to create a stable working environment, and comply with local applicable laws and regulations regarding employee's working hours, holidays, and vacations.

6. Freedom of Association

Suppliers shall recognize employees' right to freely associate, or not to associate, complying with local applicable laws and regulations.

7. Environmental Preservation

Suppliers shall abide by legally established environmental standards and strive to preserve the environment, such as by preventing air, water and soil pollution, endeavoring to reduce greenhouse gas emissions, and processing and disposing of industrial waste in an appropriate manner.

8. Responsible Procurement of Mineral Resources

Suppliers shall consider the impact of raw materials, which can cause human rights violations and social problems such as environment destruction, in procurement activities, and take measures to avoid their use if there is concern.

9. Ensuring Product Quality and Safety

Suppliers shall establish a quality assurance system to ensure the quality and safety required for products, and provide accurate information about products.

10. Protection of Intellectual Property

Suppliers shall not infringe on the intellectual property rights of others in the course of business activities such as R&D, production or sales, etc., of products and services.

11. Information Security

Suppliers shall establish an information management system (organization and rules) and take measures to prevent leakage of confidential information obtained in connection with transactions. In particular, the handling of acquired personal information shall be strictly controlled.

12. Disclosure of Information

Suppliers shall disclose details of business activities and risk information, etc., as required by laws and regulations in a timely and appropriate manner. In particular, suppliers shall disclose information promptly, especially if there is a risk of affecting the continuation of transactions.

13. Protection of Whistleblowers

Suppliers shall establish an internal reporting system that ensures the protection of whistleblowers, together with a system that prevents retaliation for reporting.

Mitsubishi Materials Corporation hopes that suppliers will work to extend fair transactions based on the purport and spirit of these guidelines to their suppliers, and will work together to build a resilient and competitive supply chain.

(Last revised date: December 1, 2021)