Nippon Yakin Kogyo Group Human Rights Policy

Nippon Yakin Kogyo Co., Ltd. and its group companies (the "Company Group") strongly recognize that respect for human rights is essential in business operations. The "Nippon Yakin Kogyo Group Human Rights Policy" ("Policy") has been established in order to set forth the responsibilities that the Company Group should undertake, as well as to ensure that all employees of the Company Group, including officers, employees, and seconded and dispatched employees ("All Officers and Employees"), can implement measures to respect human rights. Based on this Policy, the Company Group will contribute to the realization of an inclusive society.

Positioning

In addition to the following international standards *1, this Policy was formulated in consideration of the human rights initiatives engaged in by the Company Group to date. This Policy complements management ideals and the Company Group's code of conduct as guidelines for measures to respect human rights in business operations.

*1 In formulating this Policy, the Company referred to the international standards below.

- The United Nations "International Bill of Human Rights" ("Universal Declaration of Human Rights," "International Covenant on Economic, Social and Cultural Rights," and "International Covenant on Civil and Political Rights")
- The International Labour Organization (ILO) "ILO Declaration on Fundamental Principles and Rights at Work" and "Guidelines for Multinational Enterprises"
- The United Nations Human Rights Council "Guiding Principles on Business and Human Rights" (the "Guiding Principles")
- The United Nations "Convention on the Rights of the Child" and UNICEF, the United Nations Global Compact, Save the Children "Children's Rights and Business Principles"
- The Organization for Economic Co-operation and Development "Guidelines for Multinational Enterprises on Responsible Business Conduct"

Scope of Application

This Policy applies to All Officers and Employees of the Company Group. If business operations, products, or services of the Company Group directly have, or may have, an adverse human rights impact via its business partners, including suppliers, purchasers, and other related parties, we will continue to encourage such related parties to understand this Policy and to endeavor to respect human rights.

Basic Approach to Human Rights

The Company Group understands that there is a possibility of impacting human rights directly or indirectly in the course of engaging in its own business operations, and having recognized that the Company Group is responsible for respecting human rights, the Company Group will engage in specific measures to respect human rights pursuant to this Policy.

Compliance with International Human Rights Laws and Regulations

The Company Group understands that the fundamental rights listed in the International Bill of Human Rights (referring to the "Universal Declaration of Human Rights," "International Covenant on Economic, Social and Cultural Rights," and "International Covenant on Civil and Political Rights") and the "ILO Declaration on Fundamental Principles and Rights at Work," which sets out fundamental rights at work, represent the bare minimum standard, and respects all internationally recognized human rights, including the foregoing. Also, the Company Group will comply with the laws, regulations, and rules in countries and regions where the Company Group has business operations. In addition, if the legal regulations of relevant countries and international human rights norms are not consistent, the Company Group will adhere to those representing the higher standards, and if they contradict each other, the Company Group will seek ways to respect internationally recognized human rights norms to the greatest extent possible, while considering laws, regulations, and rules of respective countries and regions.

Human Rights Issues Required to Be Respected from International Norms Perspectives

The Company Group views the measures on basic labor rights below at the Company Group and in its supply chains as important social responsibilities and ensures that All Officers and Employees comply with the foregoing. Currently, human rights issues that the Company Group should prioritize in conducting its business operations are as set forth in the Schedule. While taking into account social conditions, development of business operations, and demands on the Company Group, the Company Group will review in a timely manner the human rights issues that should be prioritized in conducting its business operations.

- Child labor, forced labor, and human trafficking are prohibited.
- The Company Group respects workers' freedom of association and the right to collective bargaining in countries and regions where the Company Group has business operations.
- Laws and regulations relating to work hours, wages, etc. applicable in countries and regions where the Company Group has business operations will be complied with. Also, the Company Group will strive to realize the enjoyment of wages providing an adequate standard of living.
- The Company Group respects diversity and prohibits any discrimination due to any attributes not related to duties to be performed, including race, ethnicity, gender, status, gender identity, sexual orientation, language, religion, political and other opinions, nationality or social origin, assets, birth, disabilities, illnesses, and other conditions, and form of employment. In addition, the Company Group does not tolerate power harassment, sexual harassment, or any other form of action or speech that harms individual dignity.
- The Company Group complies with laws, regulations, and rules on health and safety applicable in countries and regions where the Company Group has business operations. In addition, the Company Group stives to ensure safety in the workplace and to create a workplace where All Officers and Employees of the Company Group may work healthily, in terms of both mind and body.

Implementation of Human Rights Due Diligence

The Company Group will establish a human rights due diligence process to implement this Policy, and to identify, prevent, and mitigate adverse impacts on human rights that are caused or contributed to by the Company Group's business operations, or are directly linked to the Company Group's business operations, products, or services, and the foregoing will be implemented on a continuous basis.

Education

The Company Group will implement awareness activities for All Officers and Employees of the Company Group on a continuous basis, so that this Policy is spread through its business operations.

Remediation and Remedies

If it becomes evident that the Company Group's business operations are causing or contributing to adverse human rights impacts, the Company Group will promptly carry out remediation and provide remedies through necessary procedures. Additionally, in the event that the Company Group's business operations, products, or services are directly related to adverse human rights impacts through its business partners or other related parties, the Company Group will consider encouraging these parties to provide remedies through appropriate means and discussions. The Company Group will also proceed with establishing a grievance mechanism to provide remedies in accordance with the Guiding Principles. The Company Group has established and operates the "Nippon Yakin Kogyo Group Helpline Rules" as a whistleblowing system. Transparency of reporting contacts, anonymity, and confidentiality of those making reports are ensured, and those making reports are protected so that they are not subjected to disadvantageous treatment.

Monitoring and Information Disclosure

The Company Group will monitor the status of compliance with this Policy and its measures to respect human rights on a continuous basis, and periodically will report on the details thereof to the Sustainability Strategy Promotion Committee and the board of directors. In addition, the Company Group will disclose the status of human rights initiatives through the Company's website and integrated reports on a periodic basis.

Dialogue and Discussions

In order to identify adverse impacts on human rights and to respond appropriately thereto, the Company Group will engage in dialogue and discussions with rights holders who are impacted by its business operations and other relevant stakeholders. In addition, this Policy will be revised periodically, in consideration of changes in the external environment and the results of the dialogue and discussions above.

Amendment and/or Repeal of This Policy

Amendment and/or repeal of this Policy will be supervised by the Corporate Planning Department, and any material amendment or repeal will be made by a resolution of the board of directors.

This Policy was approved by the board of directors of Nippon Yakin Kogyo Co., Ltd.

Established on April 30, 2024
Nippon Yakin Kogyo Co., Ltd.
President and Representative Director
Shigemi Urata
(Sign)

Schedule: Nippon Yakin Kogyo Group Human Rights Policy Focus Issues

As a result of implementing a human rights risk assessment, the Company Group recognizes the human rights issues that should be prioritized in relation to business operations as being as follows and will properly engage in business operations. In addition, the Company Group will require that all business partners understand and implement the human rights issues below and contribute to realizing a society wherein human rights are respected and protected.

Development of Safe and Healthy Work Environment

The Company Group will develop a work environment that is easy to work in, giving consideration to health and safety.

Elimination of Discrimination and Harassment

Any discrimination by employees and related parties due to any attributes not related to duties to be performed, including race, ethnicity, gender, status, gender identity, sexual orientation, language, religion, political and other opinions, nationality or social origin, assets, birth, disabilities, illnesses, and other conditions, and form of employment, is prohibited. In addition, the Company Group does not tolerate power harassment, sexual harassment, or any other form of action or speech that harms individual dignity.

Responsibility to Communities

The Company Group recognizes that business operations may directly or indirectly impact human rights in local communities, and in addition to not using conflict minerals involving human rights abuses, the Company Group will respect the environment and land rights of the residents of surrounding areas related to business operations, including ensuring rights relating to prevention of pollution and the right to water and other resources.