

【DIC Group Green Procurement Guidelines】

In order to thoroughly control chemicals contained in raw materials defined in the scope section below (hereinafter, "Raw Materials"), meet relevant regulations and reduce environmental impact across our entire product range, the DIC Group herein lays down DIC Group Green Procurement Guidelines. When procuring Raw Materials, the DIC Group shall request manufacturers to satisfy the Guidelines and procure only from those manufacturers who meet the Guidelines.

As used herein, the term "manufacturers" refers to domestic manufacturing companies, domestic corporations owned by overseas manufacturing companies, import agents etc.

1.Scope

The Guidelines are applied to the following Raw Materials:

- (1) Raw Materials used by the DIC group companies
- (2) Raw Materials used for the products, the manufacturing of which the DIC Group company consigns to a third party and which are sold under the trademark of the said DIC Group company (including Raw Materials which are sold as they are under the trademark of the DIC Group).

2. Selection criteria applied to Raw Materials to be purchased

When purchasing Raw Materials, it is mandatory to submit a DIC Raw Material Survey (in DIC format), an SDS (which meets the domestic regulations) and a chemSHERPA-CI (or a chemSHERPA-AI for the case of articles), and also substances shall not be contained in excess of each limited content if the content is limited by the domestic regulations.

3. Selection criteria applied to manufacturers

It is essential for the manufacturer not to use any one of the chemicals listed in Paragraph 2 above at their factory or production process producing the Raw Materials herein referred to or at any other manufacturing floor within the said factory, or to control the content so that it does not exceed the content limited by regulations if the chemicals are used, and the manufacturer shall meet one of the following three items:

- (1) An entity who has obtained ISO14001 Certificate. However, when any change occurs such as cancellation of the certificate, please notify us immediately.
- (2) An entity where an Environmental Management System (EMS) is already in place and the obtainment of ISO14001 Certificate is underway. When a certificate has been obtained, please notify us immediately.
- (3) An entity into whose corporate philosophy/policy the concept of environmental preservation is introduced, whose willingness to comply with the related regulations on environmental preservation is clearly described and into whose operation an implementation system of environmental preservation is introduced. In the case of such entity, we shall confirm the actual status periodically (once a year as a rule).

4. Our requests to manufacturers

- (1) Develop such products that can generate less environmental impact and introduce them to the general public.
- (2) Promote the green procurement on your part.
- (3) Regarding the goods you procure, the packaging materials used for them and their distribution, production and/or construction, etc., make efforts to promote the measures of resource-saving and energy-saving, reduce their volume/weight, extend their life span, and reduce CO₂, etc. with the aim of reducing their environmental impact.