

Cosmo Energy Group Sustainable Procurement Guidelines
Sustainable Procurement Explanation of Items

January 2023

Cosmo Energy Holdings Co., Ltd.

Introduction

● To Our Suppliers (Request to Implement Sustainable Procurement)

Cosmo Energy Group considers all of its suppliers to be important business partners in achieving sustainable growth. We are committed to helping to build a sustainable society while creating mutual prosperity by engaging in appropriate communication and building sound relationships with our suppliers. Based on the Group's Management Vision and Code of Conduct, we established the **Cosmo Energy Group CSR-based Procurement Policy** in October 2019, which was revised as the **Cosmo Energy Group Sustainable Procurement Policy** in February 2022.

Cosmo Energy Group is determined to engage in sustainable procurement in accordance with this policy with respect to the **goods and services** procured by Group companies. Suppliers are important business partners for Cosmo Energy Group, and we believe we will only be able to implement sustainable procurement throughout the supply chain with the understanding and cooperation of our suppliers.

With the objective of implementing sustainable procurement throughout the supply chain, we have developed nine initiatives as the **Cosmo Energy Group Sustainable Procurement Guidelines** based on the Cosmo Energy Group Sustainable Procurement Policy. We require all of our suppliers understand and endorse the content of the policy and its guidelines, and comply with them.

We appreciate your cooperation in this matter.

(In developing the guidelines, we referred to the Responsible Business Conduct Guidelines published by Japan Electronics and Information Technology Industries Association (JEITA) in March 2020.)

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In order to achieve sustainable growth, which is the Group's Management Vision, Cosmo Energy Group has established the **Cosmo Energy Group Code of Conduct** setting out the conduct for and the matters to be observed in day-to-day work by all employees, including areas of human rights, labor, the environment, and anti-corruption. We also require suppliers and affiliated companies to comply with the relevant provisions in the Code of Conduct.

*References

Cosmo Energy Group Code of Conduct (<https://www.cosmo-energy.co.jp/en/about/company/guideline.html>)

Human Rights Policy (<https://www.cosmo-energy.co.jp/en/about/company/policy/human-rights.html>)

Environmental Policy (<https://www.cosmo-energy.co.jp/en/about/company/policy/environmental.html>)

Compliance Policy (<https://www.cosmo-energy.co.jp/en/about/company/policy/compliance.html>)

Tax Policy (<https://www.cosmo-energy.co.jp/en/about/company/policy/tax.html>)

Cosmo Energy Group Code of Conduct

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- 1-2. Preventing accidents and industrial injuries
- 1-3. Being prepared for accidents and disasters
- 1-4. Responsible handling of accidents and disasters

Chapter 2 We live up to customer expectations concerning reliability and satisfaction

- 2-1. Striving to deliver stable energy supplies
- 2-2. Providing products and services that customers can rely on
- 2-3. Striving for customer satisfaction

Chapter 3 We value people

- 3-1. Respecting diversity and each individual
- 3-2. Working to create bright workplaces where employees can work comfortably
- 3-3. Fostering strong human resources

Chapter 4 We take care of the global environment

- 4-1. Doing what we should to preserve the global environment
- 4-2. Taking action for the future of the global environment

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- 5-1. Working for the development of the community
- 5-2. Striving to keep people informed

Chapter 6 We strive to maintain our position as an honest corporate group

- 6-1. Engaging in sensible activities as members of society
- 6-2. Managing and using company property properly

6-3. Conducting honest transactions

6-4. We handle information properly

Sustainable Procurement Policy

The Cosmo Energy Group Management Vision is, “In striving for harmony and symbiosis between our planet, man and society, the Cosmo Energy Group aims for sustainable growth towards a future of limitless possibilities.” As part of our efforts to achieve this vision, the Cosmo Energy Group Code of Conduct stipulates the Group’s responsibility to fulfill its social responsibilities across all supply chains by ensuring legal compliance, fair transactions, respect for human rights, and environmentally responsible operations. This Sustainable Procurement Policy is based on our Management Vision and Code of Conduct and outlines our basic approach to fulfilling our social responsibilities across supply chains to help build a sustainable world.

1. Legal compliance

When carrying out procurement, we comply with the relevant national and regional laws and regulations, as well as social norms, while also respecting the natural environment, culture, and customs of the societies concerned. Also, we do not seek personal benefit from relationships with business partners, and we never give or receive entertainment or gifts for the purpose of improper trading. In addition, any confidential information belonging to business partners obtained through purchase transactions is kept confidential, and we do not engage in purchasing that infringes on the intellectual property rights of third parties.

2. Fair transactions and equal opportunity

We provide fair supplier opportunities for striving to build relationships of trust and mutual understanding. This includes sharing information on procurement with business partners in a timely and appropriate manner. We do not engage in unfair transaction practices, refuse contract delivery, delay payment, or impose unreasonable terms of business.

3. Socially responsible procurement

When procuring products and services, we maintain awareness of the Group’s corporate social responsibilities at all supply chain levels. Specifically, we focus on the following:

- Measures to ensure safety such as quality and accident prevention
- Measures to respect human rights, ensure occupational health and safety, and improve working environment
- Measures of environmental conservation and consideration

4. Evaluation and selection of business partners

We select business partners via comprehensive and rational assessments based not only on criteria including quality, delivery timeframe, price, technical capabilities, management stability, but also sustainability activities. We take steps to suspend business transactions with business partners if they engage in legal violations that have a major impact on society and fail to rectify the situation.

5. Mutual development (partnerships)

We build cooperative relationships with suppliers, seeing them as important business partners and seeking mutual prosperity. While respecting the position of our business partners, we encourage them to practice conduct consistent with the Cosmo Energy Group Code of Conduct and to comply with the Group's policies on human rights, the environment, compliance, etc.

6. Ensuring transparency

When selecting business partners, we fairly disclose the information and conditions required to engage in transactions. As necessary, we also inform suppliers of the reasons when they are not selected.

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Cosmo Energy Group Sustainable Procurement Assessment Guideline

I. Fair trade and ethics

(I-1) Complying with laws and regulations

In conducting business activities, the related laws and regulations are fully understood and complied with.

Laws and regulations related to business activities are understood, and relevant procedures are taken, such as acquisition of essential permits and licenses, submissions, and periodic reporting.

Permits include those related to environmental impact assessments and handling of chemicals.

Systems are in place including a structure to perform verification through periodic internal audits or internal investigations, codes of conduct, and guidelines.

(I-2) Prohibiting acts restricting competitions and abuse of dominant bargaining position

No acts that deter fair, transparent and unfettered competition, abuse dominant bargaining position, etc. are made.

No “acts that deter competitions” are made, e.g., cartels in which collusion is made with other industry peers not to compete on prices, quantities, sales territories, etc. of products and services; collusive biddings, in which an arrangement is made with other bidders regarding a winning bidder or a winning bid price. Furthermore, no “acts of unfair competition” are made, e.g., obtaining or using trade secrets of other companies in an illegal manner; making false or misleading representations to customers regarding products of other companies.

The dominant bargaining position has not been abused, e.g., using one's position as a purchaser or an outsourcer to unilaterally determine or change terms and conditions, or to impose unreasonable demands or obligations on suppliers or other business partners.

Procuring transactions are made in good faith, fairly and equitably based on contracts, etc.

(I-3) Prohibiting corruptions, bribes, etc.

Sound and proper relationships with political and administrative organizations are maintained, and no bribery, illegal political contribution, or other relevant acts are made.

No money, hospitality, gifts, or other benefits/favors (bribes) are provided to public officials and someone equivalent to them (hereafter referred to as public officials, etc.) in return for business advantages, such as obtaining/maintaining permits or business deals and acquiring undisclosed information. Also, even if nothing is asked in return for business advantages, no hospitality or gifts that go beyond the scope of social courtesy are provided to public officials, etc.

No political contributions are made in return for business advantages, such as obtaining/maintaining permits or business deals and acquiring undisclosed information. Furthermore, no political contributions that did not go through legitimate procedures are made.

(I-4) Prohibiting inappropriate provision and reception of benefits

Concerning relationships with stakeholders (interested parties), no inappropriate benefits are provided to or received from them.

No gifts, prizes, prize money, or other goods that go beyond the legally stipulated scope are provided to or received from clients. Furthermore, no money, goods, or hospitality that go beyond the bounds of social courtesy are provided or received.

No insider trading, etc. in which a company's stock, etc. is traded based on undisclosed material information relevant to businesses of that client or others are made.

(I-5) Respecting intellectual properties

Intellectual property rights of others are not infringed.

In conducting business activities, intellectual properties of others are not obtained or used in an illegal manner.

Mold drawings, computer software, and other copyrighted materials are not used or copied illegally. Also, trade secrets of third parties are not obtained or used in an illegal manner.

*Intellectual properties mean patent rights, utility model rights, design rights, trademark rights, copyrights, and trade secrets.

(I-6) Disclosing information

Information is provided and disclosed to stakeholders, whether or not such disclosure is required by laws and regulations, etc.

It is acknowledged that information such as business activities, financial standing, performance, and risk information (e.g., damage from large-scale disasters, negative impact on the environment and society, identification of serious law violations, etc., efforts on sustainability) should be provided and disclosed to stakeholders, thereby such information is disclosed as needed.

Whenever critical risk information or other relevant issues are identified, they are disseminated to clients and stakeholders as needed.

(I-7) Prevention and early detection of misconducts

Misconduct prevention activities are conducted and schemes to promptly detect and address misconducts are in place.

Education and awareness-raising activities for misconduct prevention are provided to employees, an open workplace culture is fostered, and other relevant efforts are made.

There are internal/external misconduct reporting channels and schemes enabling early detection of misconducts are in place.

Whistle-blowers are protected in a suitable manner, the reported issues are quickly handled, and feedback on handling results are provided to whistle-blowers if necessary.

(I-8) Eliminating anti-social forces

No relationships with anti-social forces are maintained under any circumstances.

It is certain that none of the employees or business partners belong to or have any sort of relationships with anti-social forces.

*Anti-social forces refer to an organized crime group, a member of an organized crime group, a former member of an organized crime group who ceased to be such a member less than five years

ago, a quasi-member of an organized crime group, a related enterprise of an organized crime group, an extortionist threatening to disrupt shareholder meetings, a miscreant advocating political activism, or any party similar to any of the foregoing. In addition, relationships with these forces are defined as follows:

1. When recognized that anti-social forces have control over the entity's management.
2. When recognized that anti-social forces are substantially involved in the entity's management.
3. When recognized that the entity unjustly utilizes anti-social forces for the purpose of unfairly benefiting itself or third parties, or of damaging third parties.
4. When recognized that the entity is involved in providing funds, benefits and/or other means to anti-social forces; or
5. When recognized that the entity has socially condemnable relationships with anti-social forces.

(I-9) Responsible minerals procurement

Minerals contained in products are not causing serious human rights abuse, environmental destruction, corruption, conflict, or other problems in conflict areas and high-risk areas.

In the case in which products to be delivered contain gold, tungsten, tantalum or tin, procurement policies are formulated. Subsequently, risk investigations and consideration of corrective measures are conducted such as due diligence on procurement (identifying issues and risks, designing and conducting corrective measures).

Regular communication is made with suppliers on mineral procurement, and appropriate measures are taken such as adding a clause to contracts stipulating that any raw materials violating the item above shall not be used.

*Gold, tungsten, tantalum, and tin are called "conflict minerals" since they are recognized as high-risk minerals mined under conflicts, human rights abuse, or other relevant situations.

II. Human rights and labor

(II-1) Respecting human rights

Everyone's basic human rights are respected, and no one is treated inhumanely through various types of harassments (abuses).

Torture, physical punishment, sexual harassment (molestation), power harassment (verbally abusive language or intimidating behavior), and any other abuses are expressly prohibited. Systems or structures are in place to appropriately address the occurrence of issues specified above.

Structures for human rights due diligence are in place and are being implemented.

Board members and employees understand that any acts that harm individuals' dignity and language/behavior falling under harassments or bullying are deemed as human rights abuse.

(II-2) Prohibiting discrimination

No individuals are discriminated during hiring or employment processes, and efforts are made to achieve equal opportunities and fairness in treatment.

During hiring or employment processes, no individuals are treated any differently in opportunities and treatments such as recruitment, promotion, compensation, and training based on factors other than reasonable factors including ability, adequacy, and performance.

No individuals are treated any differently based on their race, ethnic group, nationality, land of origin, skin color, age, gender, sexual orientation, religion, political view, or regardless of whether or not they have a disability, belong to a union, or are married.

Efforts are made to ensure that equal opportunities and fairness in treatments are not interfered by individuals' health status or pregnancy.

(II-3) Working hours

Working hours are set to fit within legal limits, and days off and leave are adequately provided to employees.

The company is aware of employees' working hours and has structures in place in which their prescribed working days per year and working hours per week including overtime are managed to fit within legal limits excluding urgent or emergency situations.

Employees are provided with at least one day off per week and annual paid holidays stipulated by laws and regulations.

(II-4) Employees' rights to organize

Employees' rights to organize are respected as a means to enable discussion between management and workers regarding their working environment, pay level, or other matters.

Employees' freedom, etc. to associate without receiving retaliations, threats, or harassments, join a labor union in accordance with laws and regulations, state protests, or to join a workers' council or other relevant organizations are respected.

Employees' rights to organize are respected regardless of the existence of a labor union, and they are not prevented from joining craft unions or other organizations.

*Craft union refers to a labor union organized by workers with the same occupation or treatment beyond the boundaries of companies or factories.

(II-5) Prohibiting forced labor

All the employees are employed based on their own free will and not forced to perform any sort of work.

Employees are not forced to perform any sort of work that goes against their will.

Their rights and freedom to resign are guaranteed, and there is no obligation for them to leave their IDs, passports, work permits, and other relevant documents with the employer.

For example, employees are not engaged in the following labors:

- Forcing one to work against their will (Forced labor)
- Restricting one's freedom to resign to make them pay debts, etc. (Bonded labor)
- Forcing one to work as the result of human trafficking (Slave labor)
- Forcing one to work under a harsh environment in an inhumane manner (Prison labor)

(II-6) Prohibiting child labor

No children under the minimum working age are employed and no children are forced to work in a manner that impairs their development.

No individuals are forced to work in a way that breaches the convention and recommendations of ILO (International Labour Organization) or laws and regulations for protecting young workers. In Japan, no one under the age of 15 is employed.

To have young workers work, restrictions on night shifts and dangerous work, etc. are followed.

Also in other countries, no individuals under the minimum working age stipulated by laws and regulations of the country where they are located is employed or is forced to work in a way that breaches the duty to protect them. In countries without relevant laws and regulations, the Minimum Age Convention and recommendations stipulated by ILO are followed.

* In principle, the minimum working age is 15 years old: ILO Convention (No. 138)

(II-7) Adequate wages

Employees receive at least the legal minimum wage, and their wages are not reduced unjustly.

Employees receive the legal minimum wage stipulated by wage-related laws and regulations of the country where they are located.

Allowances including overtime and legal benefits are paid in accordance with laws.

In violation of labor-related laws and regulations, etc., wages are not reduced unilaterally without reasonable causes. Furthermore, wages are not reduced unfairly including the wage reduction of those who take paid leave.

III. Disaster prevention and safety sanitation

(III-1) Emergency responses

In order to protect life and physical safety, emergency response measures are prepared with the assumption of possible disasters, accidents, etc., and such measures are thoroughly disseminated to the workplace.

Equipment and supplies assuming disasters and accidents (e.g., evacuation equipment, emergency medical supplies stockpile, fire detection system, fire suppression equipment, external communication methods) are in place and written procedures (e.g., emergency reporting channels, methods for notifying employees, evacuation methods, recovery plans, methods for coordinating with the community in the event of a disaster) are prepared. Also, employees undertake training on emergency response (e.g., evacuation drills) and such information is disseminated by posting written procedures or using other methods.

(III-2) Safety measures for mechanical equipment

Mechanical equipment used internally are maintained not to cause any disaster and can be used safely.

Safety mechanisms such as fail safe, fool proof, and interlock are properly installed to equipment used in dangerous work, and such equipment is regularly checked and maintained to make sustainable improvement.

*Fail safe: A safety mechanism that preliminarily assumes failures of equipment, systems, etc., such as breakdowns, operational errors, and design defects to minimize the impact of such failures caused by mishandling or malfunction and to ensure safe control all the time.

*Fool proof: To take safety measures at the time of the design stage in order to ensure that the use of equipment, systems, etc., does not expose users to danger even if they are unfamiliar with such equipment or they did not follow correct procedures.

*Interlock: A mechanism that coordinates the operations among each process in a system with multiple operation processes, and then controls other processes to operate only if one process is in the proper (safe) state.

(III-3) Safety sanitation at workplace and facilities

Work environment and facilities are maintained for safe and hygienic use, and continuous improvement is made.

Safety and hygiene friendly lighting, ventilation, and workspaces are in place, and they are checked on a regular basis.

Workplace safety risks such as handling of electrical equipment and fire, floor safety, the possibility of falling objects is assessed, and safety is ensured through appropriate designing of protective equipment supplements, handling of equipment, and education/training, etc., and technology/management measures.

Protective equipment and appropriate education are provided after identifying the possibility of employees coming into contact with locations generating chemical substances harmful to the human

body (including smoke, steam, mist, dust, and radiation), noise, odor, etc. and then preparing management standards.

Facilities provided for lives of the workers (e.g., dormitory, cafeteria, restroom) are kept clean and sanitary, and hygienic meals and drinking water are provided.

*Workplace and employees also include facilities and staff that belong to the non-manufacturing sector including offices.

(III-4) Work accidents and occupational diseases

The situations of work accidents and occupational diseases are identified, and appropriate measures are taken.

Workers' compensation insurance stipulated by law is obtained, and schemes and measures are in place to enable facilitation of reporting by employees in the event of work accidents or occupational diseases, classification/recording of such accidents and diseases, reporting to the government, provision of treatments as needed, investigation of such accidents and diseases, implementation of corrective measures to eliminate the causes, promotion of employees' return to work, etc.

*Employees also include those who belong to the non-manufacturing sector including offices.

(III-5) Consideration for physically demanding tasks

Physically demanding tasks are identified and properly managed to prevent accidents or illnesses.

The company is aware of the status of repetitive tasks, etc. that are performed for a long period of time such as tasks requiring carrying heavy items by hand, simple assembly tasks, and data entry, and measures such as periodic short breaks, provision of work assistance tools, and task sharing and cooperation within multiple workers are taken.

*Tasks include office work.

(III-6) Health management of employees

Health status of all employees is appropriately managed.

Employees are provided with legally-mandated health checkups, stress checks, etc. to prevent and detect illnesses at an early stage.

Also, measures are taken to prevent health problems due to overwork and improve mental health.

*Employees also include those who belong to the non-manufacturing sector including offices.

(III-7) Communication concerning safety sanitation

Workers receive appropriate education and training on safety sanitation information concerning various occupational dangers through words and methods that they can understand.

All workers periodically receive safety-related education and training prior to and after the start of work. Items covered by education and training include the correct use of personal protective equipment, emergency responses, safe handling of machines, and preparation for entering a toxic environment, and a structure in which workers can also raise safety-related concerns is in place.

*Paragraph 43 of the ILO MNE Declaration describes fostering a culture of prevention based on labor-management dialogue.

IV. Conservation of environment

(IV-1) Environmental management system

An environmental management system is in place and being operated.

An environmental policy is in place, and policy-based measures are taken, achieved, reviewed, and maintained. Furthermore, improvement is continuously made by carrying out the PDCA cycle for environment preservation.

It would be desirable to have a structure that includes organizational structures, planned activities, division of responsibilities, practices, procedures, processes, and management resources as an overall management system and to receive third party certifications such as ISO14001. Even without obtaining them, it is determined that an environmental management system has been built and is being operated if a structure for carrying out the PDCA cycle is in place.

*PDCA is an abbreviation of the words: plan, do, check, and action. It refers to the cycle of making a business plan, accurately implementing the plan, evaluating the result, making improvements, and making use of the experience for the next time, and is used as a management method for quality and business improvement.

(IV-2) Managing chemical substances

Chemical substances specified by laws and regulations, etc. are managed for manufacturing processes, products, and services.

Chemical substances whose use in products is prohibited by laws and regulations, etc. and those that need to be under control are properly managed, necessary testing and evaluation are conducted, and labeling obligations are fulfilled.

In the manufacturing process, efforts are made to reduce the amount of chemical substances by managing substances contained in products, identifying substances released or discharged into the external environment, reporting to the government as needed, or performing other initiatives.

(IV-3) Minimizing impact on environment (e.g., drainage, sludge, emissions)

Laws and regulations on drainage, sludge, emissions, etc. of the country where the company is located are complied with, and further improvement is made by setting voluntary standards as needed.

In addition to complying with laws and regulations, etc. to prevent pollutions caused by drainage, sludge, and emissions, voluntary goals above legal standards are established as needed to reduce environmental burdens, and efforts to reduce outflow and emissions are made by improving control and treatment methods. Items to be addressed include chemical oxygen demand (COD) in wastewater and sulfur dioxide in exhaust.

(IV-4) Reducing emissions of greenhouse gases

The company has set voluntary goals to reduce emissions of greenhouse gases and is making efforts to reduce them on an ongoing basis.

The company has set voluntary goals on reduction of greenhouse gas emissions including six categories covered by the Kyoto Protocol (carbon dioxide, methane, nitrous oxide, HFC, PFC, and SF6), and is

making efforts for such reductions.

Such initiatives include energy and power saving in offices.

(IV-5) Waste reduction

The company has set voluntary goals for waste reduction, and is making efforts to reduce them on an ongoing basis.

In addition to complying with each country's laws and regulations for disposing various types of waste discharged externally from offices or other places and industrial waste, the company has set voluntary goals for waste reduction and is making an effort to achieve them.

Such efforts include promotion of 3Rs and paperless involving offices.

*3Rs indicate reduce, reuse, and recycle.

(IV-6) Effectively using resources and energy (3Rs)

The company has set voluntary goals for saving resources and energy, and is making efforts to use them efficiently and continuously.

Efforts are being made to effectively use resources by reducing the amount of materials used in products, promoting the use of recycled resources and recycled parts, and taking other relevant initiatives.

Efforts are being made to rationalize the use of heat and power and to use fuel resources effectively, including oil, natural gas, coal, and coke.

Such efforts include promotion of 3Rs and paperless operations in offices and other facilities.

(IV-7) Promoting green procurement

Efforts are being made to reduce environmental burdens concerning products and services.

Given environmental performance and necessity, products and services with low environmental burdens are selected at the time of purchase.

Such efforts include green procurement in offices and business operations.

Please see the following link on our group's green procurement initiatives:

<https://ceh.cosmo-oil.co.jp/csr/environment/green/index.html>

(IV-8) Initiatives concerning biodiversity

Direct/indirect impact of businesses on biodiversity is examined and efforts are made for maintenance and sustainable use of biodiversity.

With consideration given to locations of factories or offices to protect biodiversity, efforts are made such as appropriate environmental assessment in business plans, communication with regional societies, and environmental preservation activities in cooperation with local communities.

Impact of material procurement and business activities on biodiversity is assessed.

*Biological diversity is a concept that considers diversity at three levels: ecosystems, species, and genes.

The maintenance and improvement of the diversity is considered essential for maintaining living things and life on the earth including humanity.

V. Quality and product safety

(V-1) Quality management system

A quality management system is in place and being operated.

A quality policy is in place, and policy-based measures are being taken, achieved, reviewed, and maintained. Furthermore, improvement is continuously made by carrying out the PDCA cycle for quality assurance.

It would be desirable to have a structure that includes organizational structures, planned activities, division of responsibilities, practices, procedures, processes, and management resources as an overall management system and to receive third party certifications such as ISO9000. Even without obtaining them, it is determined that a quality management system has been built and is being operated if a structure for carrying out the PDCA cycle is in place.

(V-2) Securing product safety

When designing products under the company's own responsibility, these products ensure a sufficient safety level that meets standards specified by laws and regulations, etc. of each country.

The company designs products with a sufficient safety level and sells them in consideration of the responsibility as a manufacturer.

In addition to complying with laws and regulations, product safety is ensured through initiatives including traceability management (history of materials, parts, processes, etc.) and the development of rapid response methods if problems occur.

(V-3) Providing accurate product and service information

Accurate information on products and services are provided.

Accurate information on products and services such as specifications, components, parts, substances contained, quality, and handling methods are provided.

If any changes are made from the original agreement in a manufacturing process or an implementation method, information reflecting the changes is provided as needed.

*Given impact of final products on quality and functions, our group requires prior consultation before making any changes, even if these products have met the standards.

VI. Information security

(VI-1) Protective measures against computer and network threats

Protective measures against threats to computers and networks are being taken, and no damage is brought to the company or others.

It is acknowledged that computer viruses, computer worms, spyware, or other threats to computers or servers connected to the internet (hereafter referred to as computers) may lead to the leakage of client information or sensitive information saved in the computers, attacks against computers of other companies, or other incidents.

It is acknowledged that the incidents mentioned above may cause material harm such as operational stagnation or loss of creditability, thereby countermeasures are taken including installation of firewall, updates as needed, and the use of security software.

(VI-2) Preventing leakage of personal information

Personal information of clients, third parties, and the company's employees are appropriately managed and protected.

The information saved together with personal data such as name, date of birth, and address and the information that can be identified as a specific person's data by referring to other information are recognized as personal information, and such information is appropriately managed to prevent improper acquisition, misuse, and leakage.

A structure for the overall management of personal information is in place, norms/policies to be followed by employees or other relevant persons have been established, and planning, measures, audits, and reviews are conducted in accordance with these norms/policies.

(VI-3) Preventing leakage of sensitive information of clients and third parties

Sensitive information received from clients and third parties is appropriately managed and protected.

Documents, data, and other information that have been agreed to be confidential between the company and clients or third parties are appropriately managed to protect such information from misuse or leakage.

Appropriate management requires that a structure for the overall management of sensitive information be in place and operated, and under such an environment, norms/policies to be followed by employees or other relevant persons have been established, and planning, measures, audits, and reviews are conducted in accordance with these norms/policies.

VII. Contribution to society

(VII-1) Contribution to society and local communities

Activities that can contribute to the development of global and local communities are conducted voluntarily.

By determining the scope of activities that can be implemented, community supporting activities are conducted using corporate resources, such as activities using the company's business, technology, etc., non-monetary contributions using facilities, human resources, etc., and monetary contributions through donations, for the development of global and local communities.

VIII. Business continuity plan

(VIII-1) Developing and preparing business continuity plan

Business continuity plan (BCP) is in place for incidents including large-scale natural disasters, accidents/terrorism, and rebellions.

Strategies to restore production and management bases from potential damages and policies to secure alternative means if damage lasted for a long time are established, and periodic training and reviews are implemented, to fulfill the company's supply responsibilities if it or its business partners are affected by a large-scale natural disaster or other incidents.

IX. Supplier management

(IX-1) Preparing and disseminating supplier codes of conduct

Codes of conduct or other relevant documents for the company's suppliers are in place and shared with them, and signature requests, self-evaluation, and situational field audits are conducted.

To ensure the company's corporate philosophy is implemented throughout its supply chain, codes of conduct and guidelines that incorporated behaviors, processes, procedures, etc. have been established for suppliers to be followed, and such guidelines are thoroughly disseminated to suppliers.

Revision History	Date	Details
Version No.		
1	December 13, 2019	Established: Cosmo Oil CSR-based Purchasing Guidelines
2	January 26, 2023	Revised: Cosmo Energy Group Sustainable Procurement Guidelines