SEKISUI KYDEX PROCUREMENT POLICY

1. Policy Purpose

To ensure responsible, ethical, and sustainable procurement practices that align with SEKISUI KYDEX values and contribute to a sustainable society.

2. Core Principles

A. Transparency and Fairness

- Open procurement to both domestic and international suppliers.
- Ensure fair and impartial selection based on quality, cost, delivery, and service.

B. Legal and Ethical Compliance

- Comply with all applicable laws, regulations, and social norms.
- Prohibit corruption, bribery, and money laundering across the supply chain.

C. Human Rights and Labor Standards

- Respect human rights, including prohibiting child labor, forced labor, and discrimination.
- Require suppliers to uphold the UN Guiding Principles on Business and Human Rights.

D. Environmental Responsibility

- Promote procurement that supports biodiversity, reduces carbon emissions, and encourages circular economy practices.
- Implement sustainable timber and mineral procurement policies to avoid deforestation and conflict minerals.

E. Supplier Engagement and Due Diligence

- Require suppliers to comply with the Supplier Code of Conduct.
- Conduct regular audits and self-assessment questionnaires to monitor compliance.

3. Supplier Code of Conduct Highlights

Suppliers must:

- Establish internal systems to ensure compliance.
- Allow audits and site visits when necessary.
- Report progress on corrective actions if non-compliance is found.
- Respect local cultures and communities.

- Ensure traceability of materials and ethical sourcing.

4. Risk Management

- Identify procurement-related risks such as unethical sourcing or environmental harm.
- Take corrective action or suspend transactions if issues are not resolved.

5. Continuous Improvement

- Regularly review procurement policies in response to evolving laws and societal expectations.
- Encourage innovation and proposals for sustainable materials and technologies.

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Approved by:



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