

JGC Group Supplier Code of Conduct

JGC (referred to below as either the JGC Group or individual JGC companies, depending on the context) is committed to pursuing its purpose: “Enhancing planetary health” (“Purpose”). To achieve the Purpose, JGC actively pursues sustainability in the fields of environment, society, governance, quality, safety, and health.

In order to pursue the Purpose, JGC requires a commitment from our vendors, contractors, and other service providers (hereinafter collectively referred to as “Suppliers”) to adhere to the "JGC Group Supplier Code of Conduct" (hereinafter referred to as “SCOC”) that shares our group's sustainability policies and initiatives with Suppliers.

■ Scope of Application

Suppliers who contract with JGC must comply with the SCOC. Suppliers must also extend the conditions of the SCOC (or their own policy which contains equivalent conditions) to their supply chains and promote compliance throughout their supply chains.

■ Obligation to Cooperate with Investigations and Distribution of Information

JGC will monitor the compliance status of the SCOC in its supply chains through dialogue with Suppliers and requests Suppliers’ cooperation on this matter. JGC may request Suppliers to answer questionnaires and conduct interviews, provide materials and records, accept inspections, and investigate supply chains.

■ Relationship with Other Contract Terms

The SCOC shall be interpreted in conjunction with contracts between JGC and Suppliers. However, the explicit terms of the contract shall take precedence over the SCOC.

Risk and Compliance**1. Compliance with Laws and Regulations**

Suppliers must comply with applicable laws, regulations, and relevant standards related to the products and services they provide and ensure no omissions in procedures such as obtaining permits and making necessary filings.

2. Prevention of Bribery

Suppliers must not engage in bribery and/or improper hospitality, gifts, benefits, or offers, promises, or provision of economic benefits. Suppliers must maintain transparent and fair relationships with politicians and public officials.

3. Prevention of Improper Benefits with Other Companies

Suppliers must not give or receive gifts or hospitality that exceed socially acceptable limits with other

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companies.

4. Prevention of Competition Law Violations

Suppliers must not engage in acts that could violate applicable competition or anti-trust laws, such as exchanging or agreeing on prices, quantities, specifications, production levels, costs, willingness to receive orders or other terms and conditions with competitors. Suppliers must not restrict transactions with a specific company without any lawful causes or engage in bid-rigging.

5. Prevention of Conflicts of Interest

A conflict of interest arises when Suppliers' personal or financial interests could affect their responsibility to perform obligations against JGC in accordance with the contract terms. Suppliers must ensure that no conflicts of interest arise in their activities as supplier or service providers to JGC. If a conflict of interest does occur, it must be promptly reported to JGC.

6. Compliance with International Trade Agreements

Suppliers must understand and comply with laws and regulations related to export and import control, including economic sanctions and embargoes imposed by relevant authorities, and conduct transactions accordingly. Suppliers must also follow the procedures of relevant government agencies in accordance with laws and regulations.

7. Exclusion of Anti-Social Forces or Groups

Suppliers must not have any relationships with organized crime groups or other anti-social forces. Suppliers must firmly reject any demands from such groups or forces and not provide any benefits. Suppliers must not engage in terrorist activities, money laundering, or other organized crime.

Respect for Human Rights

JGC recognizes that respecting the human rights of all people affected by our business activities, based on internationally recognized human rights principles such as the United Nations International Bill of Human Rights and the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work, is a foundational principle of our business. Accordingly, JGC has implemented a "Basic Policy for Human Rights & Development" to further promote our efforts and fulfill our responsibility to human rights. JGC encourages Suppliers' understanding of and compliance with these human rights principles.

1. Prevention of Human Rights Violations

Suppliers must respect laws and international norms related to human rights, not engage in actions, and prevent actions that are likely to harm human rights.

2. Prohibition of Discrimination and Harassment

Suppliers must not engage in or tolerate discrimination or harassment based on nationality, ethnicity, race, skin color, religion, gender, sexual orientation, gender identity, age, physical or mental disability, illness, etc.

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3. Prohibition of Forced Labor

All labor must be voluntary, and workers must be guaranteed the freedom to leave their jobs at their own will. Suppliers must prohibit debt bondage and not retain identification documents in an attempt to prevent workers from freely leaving their employment.

4. Prohibition of Child Labor

Suppliers must not allow the employment of children below the minimum working age of the country. Suppliers must not allow hazardous and harmful labor for those under 18 years old.

5. Compliance with Labor Laws

Suppliers must comply with relevant labor laws, overtime payment regulations, and labor agreements in the countries and regions where they operate. Suppliers must pay workers fairly and promptly, ensuring compliance with the statutory minimum wage. In addition, Suppliers must endeavor to set wage levels with due consideration of the basic standards necessary to maintain a decent living, including access to food, housing, education, and healthcare.

Suppliers must comply with legal requirements on labor time, especially overtime payment requirements, and properly manage labor time, days off, and holidays. Suppliers and their workers must execute labor contracts that describe the workers' labor conditions.

6. Freedom of Association

Suppliers must respect the freedom of workers to associate and the right to collective bargaining without retaliation or harassment.

7. Consideration for Foreign Workers

Suppliers must recognize the vulnerable position of foreign and migrant workers, treat them fairly, provide transparent employment and working conditions, and pay attention to labor management.

8. Cooperating with Human Rights Due Diligence

Suppliers must cooperate with JGC in the conduct of human rights due diligence (a series of actions to identify negative human rights impacts, implement and evaluate the effectiveness of measures to recover or prevent such negative impacts, and disclose how they were addressed). This includes Suppliers' efforts directed at Suppliers' own supply chains.

HSSE (Health, Safety, Security, Environment)

HSSE performance is JGC's core corporate value that is to be continuously pursued, with our fundamental principle "to create safe, secure and healthy workplaces in which all staff can carry out their functions with confidence." We ask Suppliers to promote and comply with this value.

1. Safe and Hygienic Working Environment

Suppliers must ensure a safe and hygienic working environment for all workers by identifying, evaluating, and reducing potential hazards in the workplace. This includes providing safety education, necessary protective equipment, and emergency response plans.

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2. Product and Service Safety

Suppliers must provide products and services that meet the safety standards stipulated by the laws and regulations of the countries and regions where they operate.

3. Recording Safety and Health Statistics and Taking Corrective Actions

Suppliers must record safety and health statistics related to labor-related accidents and endeavor to take appropriate corrective actions.

4. Reducing Environmental Impact

Suppliers must endeavor to implement environmentally friendly initiatives, such as reducing waste and greenhouse gas emissions, and to minimize the release of environmentally harmful substances into the air, water, and soil.

Quality Management1. Ensuring Technical Ethics

Suppliers must not engage in actions that violate social ethical standards, such as falsifying or tampering with data, concealing or tolerating defects, conducting inspections by unlicensed or unqualified personnel, falsifying qualifications, misappropriating technology, or intentionally ignoring established procedures.

2. Ensuring Product and Service Quality

Suppliers must provide products and services that meet required quality standards. If a quality incident occurs, they must promptly report it to JGC and take appropriate measures.

Information Management

Information disclosed by JGC to Suppliers is JGC's asset. Suppliers must use and manage it properly.

1. Respect for Intellectual Property Rights

Suppliers must only use intellectual property licensed from JGC according to the terms of the contract, respect third-party intellectual property rights, and comply with laws and regulations related to intellectual property.

2. Protection of Confidential and Personal Information

Suppliers must respect the rights and value of confidential and personal information disclosed by JGC and manage them in accordance with contract terms and laws.

3. IT Security Measures

Suppliers must take measures to protect their IT environment from threats and minimize the risk of unauthorized access and information leakage.

4. Response to Security Incidents

If a Supplier or any of its supply chain entities encounter any information security incident, the Supplier must immediately report it to JGC.

5. Response to Cybercrime Organizations

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Suppliers must firmly reject any demands from cybercrime organizations and not provide them any benefits.

Supply Chain

1. Responsible Mineral Sourcing

If a Supplier's supply chain involves mineral sourcing, the Supplier must endeavor to implement responsible mineral sourcing (avoiding the use of minerals with risks of human rights violations) and build a responsible supply chain.

2. Fair Selection of Business Partners

Suppliers must conduct fair selection of their business partners by evaluating the quality, reliability, delivery time, price, management stability, and technical capabilities, as well as the social responsibility of the business partners as defined in the SCOC.

Coexistence with Local Communities

Suppliers must endeavor to implement initiatives to reduce the negative impact of business activities on local communities and contribute to the sustainable development of local communities.

Prevention and Detection of Fraud

1. Whistleblowing System

Suppliers must endeavor to establish a system within their own company where their workers can report fraudulent activities or actions that may violate the SCOC without fear of retaliation.

2. Reporting to JGC

Workers working for Suppliers can also report to the following contact points of JGC:

Contact: JGC Holdings Corporation Compliance Unit

<https://www.jgc.com/en/esg-hsse/governance/compliance/>

JGC will ask for corrective actions, investigation of causes, and measures to prevent recurrence in any case of violation of SCOC.

JGC Holdings Corporation, Governance Integrate Office, Compliance Unit
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