

(Supplementary Data to NGK Group Supplier Code of Conduct)

# **NGK Group's Green Procurement Standard**

September, 2025 (Version 4.0)

**NGK INSULATORS, LTD.**

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## **I. The NGK Group's Environmental Efforts**

### **1. Core Policy on the Environment**

In April 2021, the NGK Group established the NGK Group Vision: Road to 2050 along with the NGK Group Environmental Vision. The NGK Group Environmental Vision is centered on making contributions to carbon neutrality, a recycling-oriented society, and harmony with nature. In April of the same year, we revised NGK's Core Policy on the Environment based on the NGK Group Environmental Vision. On the basis of the revised policy, the NGK Group works to reduce the environmental impact of business activities, and actively strives to help protect the environment by developing products and technologies to that end by following the Guidelines for Environmental Action.

#### **NGK Group Environmental Policy**

##### **Basic Approach**

**The NGK Group recognizes that conservation of the global environment, is a vital issue that all of humanity must face. Therefore, to bring our business activities into harmony with the environment, guided by the NGK Group Environmental Vision, we will bring our core principles of carbon neutrality, a circular society, and harmony with nature to life by committing to achieve Net Zero, advance a Circular Economy, and foster a Nature-Positive world. We also work to solve environmental issues with an awareness of the impact our business activities have on the environment and society, as well as the impacts the environment and society have on our business activities. Through initiatives like these, we strive to reduce the environmental impact of business activities and help protect the environment by developing products and technologies conducive to environmental conservation.**

##### **Main Focus**

- 1. Strive to develop, design, and manufacture products that contribute to the environment and products with low environmental impact.**
- 2. Work to reduce the environmental impact arising from business activities. Use tools such as design review to conduct a scientific investigation and evaluation of the impacts our business activities have on the environment.**
  - Promote energy conservation measures and expand the use of renewable energy for all processes and facilities, and make efforts to reduce CO<sub>2</sub> emissions by improving energy efficiency and reducing energy consumption.**
  - Promote resource efficiency (including reduction of natural resources use) and expanded use of recycled materials, and reduce the generation of waste materials (including valuable materials).**
  - Manage the risks of water resources, promote water saving and reuse, and strive to reduce the amount of water withdrawal in our business activities.**
  - Through the appropriate use and control of chemical substances, work to reduce the risks inherent in toxic substances.**
  - Give precedence to environmentally friendly materials, parts, products, and facilities in procurement and purchasing, strengthening cooperative alliances with our business partners.**
  - Help to protect biodiversity by reducing our impact on the environment and developing/distributing eco-friendly products.**
- 3. Enhance environmental management systems from a global perspective while continuously reducing our environmental impact. Carry out risk management based on scenario analysis in order to continue our operations while responding to environmental changes.**
- 4. Work to prevent environmental pollution of the atmosphere, water, and land, and promote environmental conservation by abiding by environmental laws, regulations, and other requirements, and instituting our own voluntary standards. Also, strive to protect the environment so that our business activities will not prevent any local people from enjoying clean water resources.**

**4. Provide environmental information to the public at the appropriate time and pursue dialogue with all stakeholders. Proactively develop social action programs. Also, engage in education and publicity in order to improve employees' environmental consciousness.**

## **2. Basic Policy of Green Procurement**

According to the Core Policy on the Environment, NGK enacted its Basic Policy of Green Procurement in April 2000 and NGK has since been working on reduction of environmental impacts.

### **Basic Green Procurement Policy**

- 1) Implement Green Procurement procedures for raw materials, parts, manufacturing facilities, sub-materials, office supplies, and all other purchased goods and services.**
- 2) Give precedence to products and services with good quality, price, and delivery terms that also feature a low environmental impact, as well as to corporations which give important consideration to environmental protection.**

## II. The NGK Group's Green Procurement Standard

### 1. Perspective of the NGK Group's Green Procurement

The entire NGK Group is working together to reduce environmental burden. However, in addition to our own commitment and activities within our group, we feel that cooperation and coordination with our business partners and suppliers are also essential in reducing environmental burden in a more practical and effective way. When choosing products and services, as well as considering the quality, costs and timely delivery, the NGK Group gives precedence to companies that recognize the importance of global environment conservation and to products with low environmental burden.

The NGK Group confirms that its business partners and suppliers are committed to environmental conservation by having them agree to abide by the NGK Group's Supplier Code of Conduct.

### 2. Standards for Purchased Goods and Services

#### 1) Common Standard

NGK and its Group Companies will purchase Goods and Services preferentially which meet the following requirements as "Green Items":

- (1) Corresponding to any of the following:
  - a. Long life items (a longer life than other existing items)
  - b. Items which are made of recyclable materials or reusable materials.
  - c. Items which are easier to recycle or easier for classified disposal.
  - d. Items which have less environmental impact at the time of disposal
  - e. Items which contribute to generous environmental conservation such as energy-saving or resource savings.
- (2) Items which are undertaken with regard to the following conditions:
  - a. Items which adopt proper countermeasures for environmental preservation at each phase of the manufacturing process
  - b. Items which are not difficult to dispose.
  - c. Items of which quality and safety meet related laws and regulations.

#### 2) Standards for Each Purchase Category

In addition to the above, for the following categories, in principle, items must meet the standards described below.

<Generally purchased goods>

- In Japan, products must comply with environmental standards signified by marks including Eco Mark and Green Mark and with the guideline of Green Purchasing Network (GPN).
- Outside Japan, products must generate low environmental burden in compliance with standards such as those signified by European ECO Label etc.

<Raw materials, parts, components, auxiliary materials, products and so forth>

- Raw materials, parts, components, auxiliary materials, products and so forth delivered to NGK or its Group Companies must not contain any Prohibited Substance as listed in Appendix 1.
- When delivering raw materials, a part, a component, an auxiliary material, a product or the like which contains any of the Controlled Substances listed in Appendix 1, information about this substance must be submitted to NGK or the relevant Group Companies concerned.
- Raw materials, parts, components, auxiliary materials, products and so forth must comply with applicable laws, regulations, codes and standards that govern the regions or the countries where NGK or its Group Companies receiving such items are present.

Appendix A lists examples of substances falling under the Prohibited Substance standards stipulated in Appendix 1. Appendixes B-1, B-2 and C list examples of substances falling under the Controlled

Substance standards B-1, B-2 and C respectively. Even for a substance not included in Appendixes A, B-1, B-2 or C, if the laws and regulations intended by each standard in Appendix 1 have decided to include that substance in the Prohibited or Controlled Substances, that particular substance shall be considered a Prohibited or a Controlled Substance as defined by NGK and its Group Companies, meaning that the substance is either prohibited or must come with containment information.

In any event, NGK or its Group Companies may ask suppliers to submit “Certification for Non-Inclusion” and /or detailed data for some particular chemical substances when and if necessary.

### 3. Terms and Definitions

Terms	Definitions
Generally purchased goods	Commercially available general items such as office supplies and furniture
Substances or chemical substances	Elements or compounds of two or more elements
Intentional additives	To intentionally add a substance into the delivered item Determining whether intentional additives are present shall be a result of not only the investigation on the supplier’s practice but also a result of investigation through the entire supply chain.
Homogeneous material	Material which has a homogeneous structure in its entirety and cannot be separated mechanically
Exceptions (Essential use)	A specific use which the control does not apply to because applicable laws define such use as essential.

### 4. Scope of Application

This Green Procurement Standard applies to NGK and its Group Companies.

\* Refer to the following website for the names of specific NGK Group Companies.

<https://www.ngk.co.jp/info/network/>

An NGK Group Company may individually formulate its own guideline which includes the Prohibited or Controlled Substances List and Application of the Regulations etc.

### 5. Contact information

Corporate Environment Management Dept. Phone number 81-52-872-7584

Purchasing Department Phone number 81-52-872-7250