Respect for Human Rights

Related Materiality

- Put the philosophy of respect for human rights into practice

Details can be found on our website.
https://www.hodogaya.co.jp/english/csr/stakeholder/humanrights/

Basic approach

The Hodogaya Chemical Group believes that respect for human rights as stipulated in the Constitution of Japan is a fundamental matter in carrying out its business activities. Identifying respect for human rights in our Sustainability Policy, we comply with laws and regulations as well as highly ethical and sensible behavior, respect the diversity, personality, and individuality of everyone working at the Hodogaya Chemical Group, and ensure a sound and pleasant working environment free of discrimination and harassment, while also paying close attention to respect for human rights regarding partner companies in accordance with the Corporate Action Guidelines and the Compliance Action Policy, which include items described in the United Nations "Guiding Principles on Business and Human Rights.

Corporate Action Guidelines
https://www.hodogaya.co.jp/english/company/philosophy/#a7

Compliance Action Policy (Japanese only)
https://www.hodogaya.co.jp/company/governance/action/

Human Rights Policy

The Hodogaya Chemical Group formulated the Human Rights Policy as part of its Sustainability Policy.

The Hodogaya Chemical Group regards respect for human rights as the basis of its business activities and ensures the following listed items in accordance with the Corporate Action Guidelines, Compliance Action Policy, and Procurement Policy, while also paying close attention to respect for human rights regarding partner companies.

1. Compliance with laws and regulations, and execution of highly ethical and sensible behavior
2. Respect for diversity, personality, and individuality of everyone working at the Hodogaya Chemical Group
3. Creation of a sound and pleasant working environment free of discrimination and harassment

Procurement Policy
https://www.hodogaya.co.jp/english/company/philosophy/#a8

Initiatives to Tackle Human Rights Issues in the Supply Chain

The Hodogaya Chemical Group has formulated the Procurement Policy and the Procurement Guidelines and has included clauses on compliance with the Procurement Guidelines in basic contracts with partner companies. In addition to understanding the content of these clauses, we also ask partner companies to undertake initiatives to tackle human rights issues that are similar to those of the Group. The Procurement Guidelines spell out the prohibitions against forced labor, child labor, inhumane treatment, and discrimination, proper wages, and work hours as items to be complied with for the Human Rights and Labor Standards.

Through these initiatives, no instances of forced labor or child labor have been identified across our supply chain.

Procurement Guidelines
https://www.hodogaya.co.jp/english/wp/wp-content/uploads/2024/09/Procurement-Guidelines_ENG_20241001.pdf

Human Rights Due Diligence Initiatives

The Hodogaya Chemical Group identifies human rights risks that may arise through its operations.

We are conducting education and training, upgrading workplace environments and systems, and engaging in supply chain management to address human rights risks and as preventive measures against identified risks.

We also closely monitor these activities to ascertain the effectiveness of preventive measures and to promote improvements on a continuous basis. We regularly conduct surveys of partner companies using the Procurement Guidelines Implementation Status Survey Sheet as part of efforts to monitor the supply chain and to confirm whether compliance items are properly implemented. In addition, we work to improve activities to deepen mutual understanding while building mutual trust with our partner companies.

A grievance mechanism is in place to detect and address risks related to human rights.

Establishment of a System to Prevent All Forms of Harassment

The Hodogaya Chemical Group has established a system to comprehensively prevent all forms of harassment that could be considered as violations of human rights. This includes workplace bullying, sexual harassment, pregnancy-related harassment, or harassment related to leave taken for childcare or other long-term nursing care. After clearly stipulating in our business policies and Work Rules that harassment is prohibited, we have created harassment prevention regulations and a manual in order to implement a range of measures, including establishing a consultation desk and implementing internal human rights due diligence.

During Compliance Training, officers and personnel are regularly educated on the prevention of various types of harassment and about consultation desks, and by continuing to do so, we will ensure a work environment that respects human rights.

Inquiries from partner companies
https://www.hodogaya.co.jp/english/eng_cntct/othr_i/

Grievance System

The Hodogaya Chemical Group has established an Internal Reporting Contact Point within the Group based on its Internal Reporting System.

The Internal Reporting System is communicated to officers and personnel through compliance training conducted several times each fiscal year. In addition, the status of internal reporting and other related matters is reported to the Audit & Supervisory Committee.

Business partners and customers are requested to use the Other Inquiries form on our website.

	FY2023	FY2024	FY2025
Number of internal reports	0	1	0