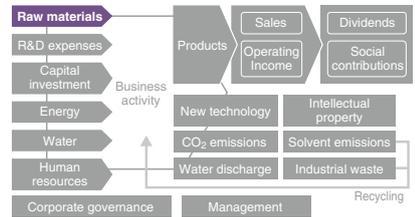


## We aim for fair dealings, considering our suppliers as business partners.



### Procurement Policy

The Nitto Denko Group promotes fair and honest procurement under a policy encapsulating our spirit of being “Open, Fair and Best” and “Partnership”. Furthermore, in accordance with “Nitto Denko Group Business Conduct Guidelines”, not only is each employee in the Group engaged in procurement activities subject to laws and regulations, but we also endeavor to be undeviating from corporate ethics and societal norms.

In addition, in the event that an employee of the Nitto Denko Group violates or appears to violate a law or regulation, agreement with a supplier, the “Nitto Denko Group Business Conduct Guidelines,” or the “CSR-Based Procurement Policy” in their procurement activities, a “Partner Hotline” exists as a point of contact for informing us of problems and correcting them.

### Toward BCM Enhancement

Recently, natural calamities such as the Great East Japan Earthquake and the Thailand floods and complex accidents with the potential to interrupt supply chains have sometimes occurred. We promote the enhancing of procurement BCM, dealing with the possibility of natural disasters, fire and equipment trouble. Above all, formulation of BCP and advancing execution of it can exist only with the cooperation of our business partners. We look forward to their continued cooperation in drawing up BCP.

### Promoting Global Green Procurement

Year by year, regulations governing chemical substances are being enhanced in each country. In order to ensure compliance with regulations and the minimization of environmental load and to manufacture environmentally-friendly products, we established “Nitto Denko Group Green Procurement Standards,” promoting green procurement.

We introduced the “Nitto Denko Group Chemical Information System (CHI),” in cooperation with the Corporate Chemical Substances Department, in fiscal 2009. Through using CHI, we conduct research timely and promptly on chemical substances contained in the raw materials which we buy. In fiscal 2012, this system came to be used at bases in China. We will continue to promote the investigation and management of chemical substances globally.

Aiming to enrich our suppliers' understanding of and cooperation with our activities, we hold partner meetings regularly. In fiscal 2012, meetings were held at the Toyohashi Plant in July and at the Kameyama Plant in November. In March 2013, a presentation meeting on chemical substance investigation was held at Nitto Denko (Shanghai Songjiang) in China, and was attended by 33 participants from 15 companies.

In fiscal 2013, with our suppliers' cooperation, we will periodically conduct necessary research on purchased raw materials for reasons such as to ascertain whether or not they contain substances on the candidate list of SVHC.



Meeting held at Nitto Denko (Shanghai Songjiang)

### Approach to Conflict Minerals

Recently, it is an international concern that minerals produced in the Democratic Republic of Congo and neighboring countries are becoming a source of money for armed groups. There has been a growing tendency to request disclosure of information related to the procurement of these minerals.

The Nitto Denko Group has a stated policy of not using conflict minerals. In order to execute the policy, and to provide information for our customers, we promote investigation of our supply chains in cooperation with our suppliers. In fiscal 2013, we will continue to make such investigations.

