

Report based on the Due Diligence Guidance for Responsible Supply Chains
of 26 December 2024

RISO KAGAKU CORPORATION

1. Corporate profile

1.1 Corporate Name

RISO KAGAKU CORPORATION

1.2 Headquarters

Tamachi Center Building 5-34-7 Shiba, Minato-ku, Tokyo 108-8385, Japan

1.3 Targeted minerals

Tin, tantalum, tungsten, gold, and cobalt

2. Corporate policy regarding supply chains

We consider it a risk in our supply chains when we directly or indirectly procure raw materials from conflict areas and use them. We deal with this issue as “Risk of Conflict Minerals.”

2.1 Policy

We’ve established the RISO Compliance Action Policy as a guideline for our own compliance. Under the Policy, the definition of activities for our procurement through our supply chains is in “7. Fair and transparent procurement: We always comply with laws and regulations to make fair and transparent procurement.”

3. Company management systems

3.1 Management structure

- a) We’ve established the Risk Compliance Committee to improve and strengthen our risk management continually.
- b) The Risk Compliance Committee is a body under the direction of the Executive Officer for Risk and Compliance, who reports directly to the President, and assists in the execution of tasks related to the implementation and continuous improvement of the compliance programs and the maintenance of compliance.
- c) The Risk Compliance Committee helps to strengthen and improve educational programs of compliance.
- d) Our compliance management is made public on our website:
<https://www.riso.co.jp/company/management/>

3.2 Management systems

- a) The Risk Compliance Committee analyzes and assesses the impact of the various risks surrounding our group companies when they happen.

- b) For identified major risks, we formulate and implement individual risk management programs to reduce or avoid risks and promote integrated risk management.

4. Identifying and responding to risks

We use systems or tools defined by the Responsible Minerals Initiative (RMI) for the traceability of minerals used in our products.

4-1. Source of information to control risks

- a) RMI (<http://www.responsiblemineralsinitiative.org/>)

*We are a member of RMI to promote the Responsible Minerals Assurance Process of SOR.

- b) Japan Electronics and Information Technology Association (JEITA)
(<https://www.jeita.or.jp/japanese/>)

4-2. Source of conflict mineral risks from suppliers

- a) Information on the risk of conflict minerals for each part is obtained from suppliers of parts used in products.
- b) Conflict mineral risk is based on industry-standard survey programs.

4-3. How we respond when risks of conflict materials are specified

When a conflict mineral risk is identified at suppliers, we consider it a significant risk, report it to the Risk Compliance Committee, and implement a risk management program to effectively mitigate the risk. When no improvement is observed, we take appropriate measures in a phased manner, such as suspending transactions.

5. Risk investigation

We've implemented risk investigation of conflict minerals through our supply chains since 2021.

5-1. Results of 2021

- a) Among the suppliers that provided information on chemical substances contained in parts, we identified suppliers that might contain conflict minerals (tin, tantalum, tungsten, and gold.)
- b) We surveyed the identified suppliers through a questionnaire on their responses to conflict minerals.

5-2. Results of 2022

- a) Based on the actual procurement results of 2022, we identified suppliers of parts that might contain conflict minerals.
- b) We conducted conflict mineral risk investigation on the identified suppliers using CMRT*.

*CMRT (Conflict Minerals Reporting Template) is a global format for collecting due diligence (DD) information on conflict minerals and is published by RMI.

5-3. Results of 2023

- a) In accordance with the RBA VAP standard in its currently valid version of the Responsible Mineral Procurement Section of the RBA Code of Conduct, an audit was conducted on October 3rd, and 4th in 2023 by TÜV Rheinland Japan Ltd., an RBA authorized auditing body, which confirmed compliance with the RBA VAP standard.
- b) We continued the risk investigation of conflict minerals using CMRT as in 2022.
- c) We are verifying whether our suppliers are dealing with smelters recognized by RMAP* and identifying the risks.

*RMAP (Responsible Minerals Assurance Process) is a program of RMI that certifies smelters and refiners as conflict-free.

5-4. Results of 2024

- a) We surveyed laws, regulations, and other requirements related to "Risk of Conflict Minerals." As a result of the survey, we found that cobalt has been added to the RBA requirements. Therefore, we obtained the latest investigation method from JEITA and surveyed suppliers of parts containing cobalt.
- b) Since 2023, we have surveyed suppliers of parts containing tin, tantalum, tungsten, and gold with CMRT. We have also conducted the risk investigation of conflict minerals with EMRT for suppliers of parts containing cobalt.

Supplement

Relevant sections of the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict and High-Risk Areas (hereinafter referred to as the Guidance) and the Report Based on the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict and High-Risk Areas (hereinafter referred to as the Report)

The Report is structured according to the five steps outlined in Annex I of the Guidance.

1. Guidance: Step 1 of Annex I

1.1 Name

Establish strong company management systems.

1.2 Requirements for Step 1

Establish company management systems.

1.3 Relevant sections of the Report

1.3.1 “2. Corporate policy regarding supply chains” presents the policy regarding conflict minerals.

1.3.2 “3. Company management systems” presents our management systems.

2. Guidance: Step 2 of Annex I

2.1 Name

Identify and assess risk in the supply chain.

2.2 Requirements for Step 2

Identify risk in the supply chain.

2.3 Relevant sections of the Report

“4. Identifying and responding to risks” presents risk identification and assessment.

3. Guidance: Step 3 of Annex I

3.1 Name

Design and implement a strategy to respond to identified risks.

3.2 Requirements for Step 3

Respond to identified risks.

3.3 Relevant sections of the Report

‘4. Identifying and responding to risks’ presents strategies for responding to risks.

4. Guidance: Step 4 of Annex I

4.1 Name

Carry out independent third-party audit of supply chain due diligence at identified points in the supply chain.

4.2 Requirements for Step 4

Third-party certification at the identified point

The identified points refer to smelters/refineries.

4.3 Relevant sections of the Report

We are not a smelter/refinery; therefore, we are not an identified point in Step 4. On the other hand, we cooperate with the audit of smelters/refineries by becoming a member of RMI. Our membership in RMI is indicated in “4. Identifying and responding to risks.” It is also indicated on the RMI website (<https://www.responsiblemineralsinitiative.org/about/members-and-collaborations/>).

5. Guidance: Step 5 of Annex I

5.1 Name

Report on supply chain due diligence.

5.2 Requirements for Step 5

Publish the Report based on due diligence.

5.3 Relevant sections of the Report

The Report is published on our website.

(<https://www.riso.co.jp/english/company/eco/others/index.html>).