

Teijin Group Slavery & Human Trafficking Statement for FY 2023

This statement is made in accordance with Section 54 of the Modern Slavery Act 2015 and covers the steps that the Teijin Group has taken during financial year from April 1, 2023 to March 31, 2024 (“FY2023”) to ensure that slavery and human trafficking is not taking place in our business and our supply chains.

The Teijin Group recognizes that any activity of our business or our supply chains should not prevent anyone from enjoying human rights and, moreover, should have a positive influence on respecting the dignity and rights of all human beings. We also recognize slavery and human trafficking are global human rights issues of our time. The Teijin Group will continue to carry out actions to ensure that slavery and human trafficking is not occurring in any part of our own business and in any of our supply chains.

1. Our business and organizational structure

The Teijin Group began with the establishment of Japan’s first rayon manufacturer in 1918. The Teijin Group now combines wide range of businesses including Aramid, Carbon Fibers, Resin, Composites, Fibers & Products Converting, Pharmaceutical & Medical Equipment, IT, and Environment Engineering. The number of Teijin Group companies is 167 in total, including 56 in Japan and 111 overseas (as of March 31, 2024). There are 21,834 employees in the Teijin Group in total, including 9,634 in Japan and 12,200 overseas (as of March 31, 2024). Teijin Group's net sales in FY2023 are 1,032.8 billions of yen, 54.1% of which is overseas net sales.

For further details of the Teijin Group and our business, please visit the Teijin’s website at the following link:

<https://www.teijin.com/>

2. Our policies in relation to slavery and human trafficking

In the following policies, the Teijin Group states that the Teijin Group will prevent any slavery and human trafficking in any part of our own business and in any of our supply chains.

1) Teijin Group’s Purpose

The Teijin Group has set out the Purpose of “Pioneering solutions together for a healthy planet” as its common value. Centering on that Purpose, we practice three values, (1) Empowering ourselves to address challenges, (2) Fostering growth through diversity and expertise” and (3) Safeguarding our planet and all life on it, with the aim of achieving our long-term vision: “To be a Company that Supports the Society of the Future.”

2) Teijin Group Code of Conduct

The Teijin Group has established Teijin Group Code of Conduct as standard for action that aligns with our Purpose.

Teijin Group Code of Conduct states “We — The Teijin Group, including its officers and employees — act according to our conscience, with the aim of enhancing the quality of life for all stakeholders.” and “We act with integrity in compliance with laws and regulations, and show respect for human rights and local communities in which we operate.”

In order to better understand and practice Teijin Group Code of Conduct, we have also formulated How We Behave for each item of Teijin Group Code of Conduct and we have been conducting publicity activities within our group.

For further details of Teijin Group Code of Conduct and How We Behave, please visit the Teijin’s website at the following link:

<https://www.teijin.com/about/philosophy/>

3) Teijin Group Human Rights Policy

The Teijin Group has established Teijin Group Human Rights Policy as our basic stance to respect every human’s dignity and rights.

Teijin Group Human Rights Policy states “Acknowledging that it is our important corporate social responsibility to value human rights, we do our best to avoid direct involvement, as well as indirectly influence through our relevant external parties, any abuse of human rights.” In addition, we clearly state “our relevant external parties” are all external organizations and people, including suppliers and partners, with whom we relate in our business” in our Human Rights Policy.

We also express in our Human Rights Policy that we follow the fundamental principles described in the United Nation (UN) International Bill of Human Rights (the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights, and the International Covenant on Economic, Social and Cultural Rights), and the International Labor Organization (ILO) Declaration on Fundamental Principles and Rights at Work and we respect the UN Guiding Principles on Businesses and Human Rights and the 10 Principles of the UN Global Compact. Teijin Limited has joined the UN Global Compact since March 2011.

Furthermore, Teijin Group Human Rights Policy states “We develop the human rights due diligence process to identify actual or potential negative impacts on human rights and seek to prevent or mitigate the negative impacts.”

The Chief Executive Officer of the Teijin Group takes responsibility for implementing this Human Rights Policy.

For further details of Teijin Group Human Rights Policy, please visit the Teijin's website at the following link:

https://www.teijin.com/csr/policy/human_rights.html

4) Policies for purchasing and procurement

Teijin Group Basic Policy for Purchasing and Procurement

Teijin Group Basic Policy for Purchasing and Procurement states “The Teijin Group promotes purchasing and procurement from suppliers that respect human rights and do not commit human rights infringements such as unjust discrimination, slave labor, forced labor, child labor, human trafficking, etc.”

Teijin Group Basic Stance of Persons in Charge of Purchasing and Procurement

We have also determined Teijin Group Basic Stance of Persons in Charge of Purchasing and Procurement that describes in specific terms how purchasing and procurement personnel should behave. Teijin Group Basic Stance of Persons in Charge of Purchasing and Procurement states “Purchasing/procurement personnel do not force inappropriate transaction terms on suppliers nor force them to accept unreasonably low prices, etc. and promote purchasing and procurement from suppliers that respect human rights and do not support forced labor or long working hours.”

Teijin Group CSR Procurement Guidelines

In accordance with Teijin Group Basic Policy for Purchasing and Procurement, we have prepared Teijin Group CSR Procurement Guidelines including items relating to human rights, such as forced labor, child labor and young workers, foreign workers, working hours and holidays, wages and welfare benefits, discrimination, harassment, freedom of association, consideration for local communities, contact point for consultations and internal reporting, and responsible supply chain promotion. The Teijin Group is requesting our suppliers to conduct activities in compliance with our Guidelines.

For further details of Teijin Group Basic Policy for Purchasing and Procurement, Teijin Group Basic Stance of Persons in Charge of Purchasing and Procurement and Teijin Group CSR Procurement Guidelines, please visit the Teijin's website at the following link:

https://www.teijin.com/csr/social/purchase_procurement/procurement.html

3. Our due diligence processes in relation to slavery and human trafficking in our business and supply chains

In accordance with our Human Rights Policy which states the human rights due diligence, since FY2018, the Teijin Group has begun building a process for human rights due diligence to identify, prevent, mitigate and account for how we address our negative human rights impacts. Our current human rights due diligence process is as follows:

1) Human rights risk assessments and human rights impact assessments

The Teijin Group conducts human rights risk assessments every few years to identify and understand the negative human rights risks and impacts of each of our businesses. Based on the results of this risk assessments, we conduct human rights impact assessments to analyze and evaluate the identified negative human rights risks and impacts.

2) Supplier surveys

The Teijin Group implements supplier surveys every year. We have developed and launched our own CSR procurement questionnaire for surveying and rating our supplier's status of efforts on Corporate Social Responsibility (CSR). This survey utilizes a questionnaire to confirm whether or not suppliers are complying with the Teijin Group CSR Procurement Guidelines, and the results are used to determine their place in a 5-level ranking system. Through such survey, we identify the risks of each of the suppliers. Moreover, we conduct detailed interviews, etc., with the suppliers that we consider may be at risk based on their responses. If we confirm that there is a risk, we request those suppliers to create an improvement plan and we check their implementation status and provide support as necessary.

Additionally, we adopt a database-based compliance survey of supplier in preliminary surveys when selecting new suppliers.

3) Dialogues

We hold dialogues with international NGOs, leading experts who active in the fields of "Business and Human Rights" and stakeholders that are potentially or actually affected by operations of our business and our supply chains.

4) Whistle-blowing

We establish counseling and reporting center, which will also have the effectiveness in identifying human rights issues that were not captured in the above series of processes.

5) Activities to prevent and mitigate negative human rights impacts

Based on the findings through the above assessment activities, the Teijin Group conducts the activities to prevent and mitigate negative human rights impacts in cooperation with our suppliers and other relevant parties.

6) Communication

The Teijin Group regularly discloses information how we address the negative human rights impacts and risks through this statement, integrated report and Teijin's website.

4. Our steps to ensure that slavery and human trafficking is not taking place in our business and supply chains

1) Human rights risk assessments and human rights impact assessments

In FY2018, the Teijin Group conducted a human rights risk assessment with the support of an external NGO in order to sort out the types of human rights issues that could be considered for each our business, and to identify places where such issues might become apparent. As a result of quantitative analysis of the human rights violation risk in each business, from the two perspectives of "country / region" and "business contents", based on the characteristic of each businesses (country / region of operation and business contents etc.) and the characteristic of our suppliers of each business (place of operation, types of their products and business contents etc.), we have confirmed that in the business of Fibers & Products Converting, human rights issues are most likely to take place, particularly in the countries of Myanmar, China, Vietnam and Thailand and we continuously promote improvement in the business of Fibers & Products Converting as a high priority business.

Following the first assessment in FY2018, we conducted the second assessment from March to December 2023. The assessment targeted 12 businesses: Aramid, Carbon Fibers, Resin, Composites, Fibers & Products Converting, Pharmaceutical, Home Healthcare, IT, Material new business, Healthcare new business, Engineering, and Corporate Business Incubation. As part of the assessment, we evaluated geographical risk, product risk, employment risk and industry risk based on qualitative information about each business and quantitatively analyzed the aggregate total risk of each business as its human rights violation risk. Through this assessment, we confirmed that product risk and industry risk are increasing in the Aramid business in addition to the Fibers & Products Converting business, and are taking measures accordingly for each risk.

For further details of Teijin Group human rights risk assessments (survey), please visit the Teijin's website at the following link:

https://www.teijin.com/csr/human_rights/initiatives.html

2) Supplier surveys

We survey our suppliers using our CSR procurement questionnaire, which includes questions regarding human rights issues such as not employing children under the age of 15 years and not allowing young workers to engage in late-night work or overtime work. Based on the results, we give our suppliers a ranking from A to E, with suppliers ranked D and E singled out as our priority target for improvement guidance. In FY2023, we sent our questionnaire to 1,500 suppliers and received responses from 686 companies. We

confirmed the details of 60 suppliers ranked D or E in the general evaluation or in the evaluation of questions regarding human rights issues and requested seven suppliers that remained at risk to submit an improvement plan.

For further details of Teijin Group supplier surveys, please visit the Teijin's website at the following link:

https://www.teijin.com/csr/materiality5/csr_procurement.html?open=tab-02#anc-04

3) Efforts in the business of Fibers and Products Converting

In the business of Fibers & Products Converting, which is identified as the business where human rights issues are most likely to take place, we are strengthening efforts related to supplier surveys.

Teijin Frontier Co., Ltd. ("Teijin Frontier"), a Teijin Group company with an integrated value chain from material development/procurement to product realization operating on a global scale, in the Teijin Group's business of Fibers & Products Converting, has created an original Standards for Sustainable Procurement in Japanese, English and Chinese and sends it to its suppliers in Japan and overseas such as Myanmar, China, Vietnam, and Thailand that conduct transactions on a continuous basis. In FY2023, Teijin Frontier continued to send its Standards for Sustainable Procurement to new suppliers including suppliers of the subsidiaries of Teijin Frontier.

In addition, based on the results of the above Teijin Group supplier surveys, Teijin Frontier requests its suppliers to cooperate in on-site-survey. In FY2023, Teijin Frontier was able to conduct actual condition surveys of 21 processing or sewing factories etc. in Japan and overseas, including remote surveys.

4) Efforts with foreign technical intern trainees in Japan

We recognize that, in general, there are issues with foreign technical intern trainees in Japan, such as long working hours, poor work environments, and low wages and we should address such issues.

In the CSR questionnaire survey given to our suppliers in Japan, we confirmed their status with regard to foreign technical intern trainees. Of the 126 suppliers that indicated that they were accepting foreign technical intern trainees, we confirmed that no acts of slavery, human trafficking or any other human rights violation have occurred at 124 suppliers, suspended business transactions with one supplier and requested the remaining supplier to submit an improvement plan.

The business of Fibers & Products Converting, which has adopted foreign technical intern trainees by utilizing the foreign technical intern training system for years, conducted its internal survey and found the fact that the foreign trainees have come to Japan by paying a large fee to the sending agency in their own country. To improve this, Teijin Frontier has launched so called, 'ZERO-FEE PROJECT' which would eliminate the foreign trainee's fee burden by having the factory that accepts the foreign trainee pay such fee

from FY2019. Subsidiaries of Teijin Frontier that accept the foreign trainee have established a Code of Conduct regarding Foreign Workers and informed the supervising organization, and from FY2020, such subsidiaries have borne such fee required for sending foreign trainees. In order to secure this ZERO-FEE, such subsidiaries have decided to accept foreign trainees from the supervising organization that discloses the information on fees at the sending agency. Such subsidiaries also confirm directly with the foreign trainees that they have not paid such fees.

Also, we are conducting periodic survey on the treatment status of the foreign technical intern trainees employed by our suppliers. We have confirmed that there were no serious violations of the laws such as Japanese Labor Standards Act.

5) Whistle-blowing

Since 1999, the Teijin Group has established counseling and reporting center for all Teijin Group company employees.

We also have the reporting desk on the Teijin's website to receive notifications from other than the Teijin Group company employees, such as suppliers.

For further information of the Teijin Group whistle-blowing procedures, please visit the Teijin's website at the following link:

<https://www.teijin.com/csr/materiality5/compliance.html>

5. Training

We not only provide education and training targeting all officers and employees (including contract/temporary employees) but also conduct activities to raise awareness of human rights among our suppliers as part of our human rights due diligence.

1) Training for officers and employees

The Teijin Group has been holding the Corporate Ethics Workshop every year during Cooperate Ethic Month (October) targeting all officers and employees (including contract/temporary employees) of our group. Our corporate ethics workshop includes case studies and group discussions. We are deepening our understanding of the policies of the Teijin Group on human rights through this workshop.

For further information of the Teijin Group Corporate Ethics Workshop, please visit the Teijin's website at the following link:

<https://www.teijin.com/csr/materiality5/compliance.html>

Furthermore, we have organized e-learning program for employees in the business of Fibers and Products Converting. In this program, each participant takes 3 courses:

beginner, intermediate, and advanced. In FY2023, 93 employees in Japan and overseas took these courses. In addition, we have adopted new training in the form of a game.

2) Training for suppliers

Every year, we ask our suppliers to confirm their human rights risks and recognize the Teijin Group's policy through our CSR procurement questionnaire survey, which asks suppliers if they are complying with the Teijin Group CSR Procurement Guidelines. We also provide each supplier with feedback on the survey results and corrective advice to promote the recognition of issues and concrete improvement.

In the business of Fibers & Products Converting, since 2014, Teijin Frontier has been holding a CSR Supply Chain Seminar every year for local processing, sewing and embroidery factories, material manufacturers, etc. with the aim of enforcing legal compliance and the protection of human rights. In FY2023, Teijin Frontier held such seminars for Vietnam, China and Japan respectively, of which the seminars for China and Japan were held using a remote conference system. The Teijin Group believes it is important to raise awareness of CSR procurement locally on an ongoing basis.

For further information of the Teijin Group CSR Supply Chain Seminar, please visit the Teijin's website at the following link:

https://www.teijin.com/csr/materiality5/csr_procurement.html?open=tab-02#anc-05

6. Assessing the effectiveness of our efforts to ensure that slavery and human trafficking is not taking place in our business and supply chains

1) Dialogues with external experts

To step up our efforts for ensuring that human rights are respected in line with international trends and standards related to business and human rights efforts, we hold regular dialogues with CRT Japan, an external body that has expertise in this area and is well versed in trends in and outside of Japan. We use these dialogues to understand the issues impacting human rights and the business environment surrounding the Teijin Group on a real-time basis and to discuss which direction we should take.

For further information of the dialogues between the Teijin Group and external experts, please visit the Teijin's website at the following link:

https://www.teijin.com/csr/human_rights/pdf/status_2023_EN.pdf

2) Ongoing monitoring

In order to assess the effectiveness of the steps we are taking to ensuring that slavery and human trafficking is not taking place in our business and supply chains, the Teijin Group will continue to (i) conduct the human rights risk assessments periodically and based on the risk assessments, conduct the human rights impact assessments, (ii) review the results

of the surveys of our suppliers and (iii) monitor the number and the contents of reports made through the whistle-blowing procedures from employee, suppliers or others who convey concerns about slavery and human trafficking.

This statement was made by Teijin Limited on behalf of itself and Teijin Group companies, and approved by the board of directors of Teijin Limited on June 4th, 2024.

June 4th, 2024

A handwritten signature in black ink, appearing to read "A. Uchikawa". The signature is fluid and cursive, with a large initial "A" and a stylized "Uchikawa".

Akimoto Uchikawa
President and CEO, Teijin Limited