

Supply chain
management



Basic Procurement Policy

(1) Promotion of global procurement activities

We strive to enhance our global procurement utilizing our domestic and overseas and strengthen relationships with our valued suppliers.

(2) Compliance with laws, social codes and internal regulations

We comply with laws, social codes and internal regulations, and promote healthy and open procurement activities.

(3) Promotion of fair, just and sincere procurement activities

We provide our valued suppliers with fair and just competitive opportunities and act in good faith in our procurement activities.

(4) Consideration for the environment and human rights in procurement

We conduct procurement with consideration for the earth's environment in accordance with INOAC's environmental policies. In addition, we give due consideration when dealing with the procurement of raw materials that may cause human rights issues or social problems, such as the use of conflict minerals.

(5) Building partnerships based on trust with our valued suppliers

We construct firm, trusting relationships with our valued suppliers and cooperate with them to maintain and improve each other's technological capability and quality.

Optimal procurement at our bases across the globe

We contribute to the countries where our bases are located by procuring local raw materials and components. At the same time, we also aim to build good relations with our valued suppliers taking long-term business relationships and the optimal quality and cost into consideration. Furthermore, we conduct procurement with a higher level of strategy to accommodate our global production operations.

Strengthening partnerships with our valued suppliers

Together with approximately 80 valued suppliers we formed the INOAC Cooperative Assembly, where we engage in various activities. We invite representative speakers from our valued suppliers to give presentations for our entire group of companies about their activities to raise awareness about compliance and risk management at speaking engagements, and about the work that goes on in their subcommittees. In this way, we strive to mutually raise the levels of all participating companies.



Green procurement

In order to keep up with environmental regulations that become stricter every year, we revise the INOAC Green Procurement Criteria on a yearly basis and engage in procurement activities that are environmentally conscious. In addition, we are also working to reduce our environmental impact, such as by looking for ways to enhance loading efficiency as a means to improve procurement logistics.

Conflict minerals

The Democratic Republic of Congo has one of the world's richest total deposits of mineral resources. However, it is also a region—along with neighboring countries—embroiled in ceaseless warfare. Minerals produced in this region become a source of funding for organizations involved in human rights violations, environmental destruction, corruption and illegal activities. Our policy is to not use such conflict minerals, and we are working with each of our business partners to disclose relevant information.