

Supply Chain Management

The Nihon Parkerizing Group strengthens its cooperation with suppliers to establish sustainable supply chains. We are contributing to the realization of a recycling-oriented society by effectively managing resources and developing production and supply systems. Moreover, we are actively working to understand procurement risks and take measures to address them with the goal of ensuring a stable supply.

Procurement policies

The Nihon Parkerizing Group formulated its CSR Procurement Guidelines and Green Procurement Guidelines in accordance with its Procurement Policies. It collaborates with suppliers to engage in sustainable procurement activities, promoting compliance with laws, environmental protection, respect for human rights and fair trade.

Procurement policies

1. The Nihon Parkerizing Group aims to realize coexistence and co-prosperity with suppliers based on mutual trust.
2. The Nihon Parkerizing Group will provide equal opportunities for procurement transactions to all suppliers and select them fairly and honestly, considering quality, price, delivery time, and other factors.
3. The Nihon Parkerizing Group will comply with domestic and foreign laws, regulations, and social norms and request that its suppliers comply with the same rules and regulations.
4. The Nihon Parkerizing Group is committed to sustainable procurement activities, fully considering the environment, human rights, occupational health and safety, and corporate ethics.

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(1) Promoting procurement in consideration of social responsibility (CSR procurement)

The Nihon Parkerizing Group formulated the CSR Procurement Guidelines and encourages procurement practices that consider social responsibilities, such as respecting human rights, prohibiting discrimination, eliminating forced labor and child labor, procuring minerals responsibly, eliminating antisocial forces and implementing information security measures. In terms of the environment, we implement initiatives to achieve sustainable procurement, such as measures to ensure compliance with the laws, conserve resources and energy, reduce GHG emissions and incorporate biodiversity considerations.

➔ CSR Procurement Guidelines
https://www.parker.co.jp/ja/_pdf/csr/csr_guideline.pdf

(2) Promoting procurement activities to reduce environmental impact (green procurement)

The Nihon Parkerizing Group formulated its Green Procurement Guidelines to manage substances that pose concerns about their potential to harm humans and the environment throughout their lifecycle, from procurement of raw materials to disposal. More specifically, we choose products and containers with lower environmental impact to reduce the amounts of hazardous substances, in cooperation with suppliers.

➔ Green Procurement Guidelines
https://www.parker.co.jp/ja/_pdf/csr/green_guideline4.0.pdf

(3) Response to conflict minerals

Since transactions involving specific mineral resources

may lead to conflicts or human rights violations, the Nihon Parkerizing Group conducts annual inspections. It encourages procurement practices that consider social issues to pursue conflict-free raw materials, free of conflict minerals.

(4) Initiatives relating to stable supply

The Nihon Parkerizing Group is committed to diversifying its vendor base, optimizing inventory management, strengthening its collaboration with its suppliers, and reviewing its logistics systems to ensure a stable supply of products and services. Furthermore, we have established a business continuity plan (BCP) and are structurally ready to respond to emergencies flexibly. In this way, we fulfill our responsibilities to supply products and services.

(5) Collaboration with suppliers to realize sustainable procurement

We distribute a Procurement Brief to all suppliers monthly. The goal of the brief is to communicate information about noncompliance incidents that occurred during the latest delivery and other essential matters, and share quality control and other key information to maintain and improve the quality of the entire supply chain. Since FY2022, we have conducted annual supplier questionnaires to increase mutual understanding with our suppliers and strengthen our supply chains. The response rates were 47% in FY2022, 50% in FY2023 and 71% in FY2024. We will maintain good relationships with suppliers by continuing to engage in dialogue with them about our policies and initiatives.