

# Nissha Advanced Technologies Europe's Responsible Sourcing Policy

Version 01 | 30 September 2025



# Arbeitsanweisung A3-AA-05 EUDR-Policy Responsible Sourcing Policy



## Content

1. Purpose.....	3
2. Scope.....	3
3. Conditions for EU Market Placement and Export thereof.....	3
4. Responsible Management and business practices.....	3
5. To ensure the successful implementation of our Responsible Sourcing Policy, we will undertake the following initiatives. Due Diligence System .....	4
6. Data management and record keeping.....	5
7. EUDR Information System Declaration.....	5
8. Annual compliance report.....	5
9. Monitoring and verification.....	5
10. Training and capacity building .....	5
11. Roles and Responsibilities .....	6
12. Protocol for Non-Compliance Information .....	6
13. Cooperation with Competent Authorities .....	6
14. Communication of Due Diligence Information .....	7
15. Communication and stakeholders .....	7
16. Review and adaptation .....	7
17. Governance.....	7

# Arbeitsanweisung

## A3-AA-05

### EUDR-Policy Responsible Sourcing Policy

## 1. Purpose

Nissha Advanced Technologies Europe GmbH (NAT) is committed to responsible sourcing of forestry commodities, ensuring that no deforestation and forest degradation was involved during the harvesting and production of its relevant wood derived products and, that they have been produced in accordance with the relevant legislation of the country of production. To achieve this, NAT mandates complete adherence to the European Union Deforestation-free Regulation (EUDR 2023/1115) from all its suppliers and partners.

Our Responsible Sourcing Policy focuses on sustainable sourcing practices that comply with EUDR standards. We are committed to source relevant wood derived products exclusively from areas that have not been deforested while guaranteeing full transparency and traceability and protecting human rights and the environment at every stage of our supply chain. This includes regular policy reviews, strong supplier partnerships, transparent reporting, and a clear process for addressing complaints. Our goal is to build supply chains that reflect our dedication to environmental and social responsibility.

## 2. Scope

This policy applies to all operations, suppliers, and stakeholders involved in the production, processing, and trading of wood derived products within NAT supply chain. With this policy, we intend to maintain high standards of environmental care, social responsibility, and ethical conduct across all operations. We take a comprehensive approach to sourcing products, commodities, and services, ensuring compliance with legal requirements outlined in the EUDR while also benefiting the communities and environments where we operate.

## 3. Conditions for EU Market Placement and Export thereof

Relevant wood derived products shall only be placed or made available on the EU market or exported from the EU if they meet the following criteria:

- a) They are deforestation-free, meaning that they were produced on land that has not been subject to deforestation after 31 December 2020,
- b) They have been produced in accordance with the relevant legislation of the country of production; and
- c) They are covered by a due diligence statement.

## 4. Responsible Management and business practices.

NAT approach to sustainable sourcing reflects our commitment to environmental responsibility, social equity, and ethical business practices. By adhering to EUDR standards we ensure that our sourcing decisions not only meet legal requirements but also contribute positively to the communities and ecosystems where we operate. To achieve this, we consider various critical aspects, including:

- a) **Land tenure and Management rights:** We are committed to ensuring secure land tenure and management rights for all farms and forests we source from. We respect the rights of Indigenous Peoples and local communities by obtaining Free, Prior, and

# Arbeitsanweisung

## A3-AA-05

### EUDR-Policy Responsible Sourcing Policy

Informed Consent (FPIC) when farming or forest operations may affect their lands or livelihoods.

- b) **Management Planning and Operations are conducted responsibly:** To ensure full compliance with all legal requirements, including lawful harvesting and production practices, NAT is committed to transparency and willing to disclose any relevant information to stakeholders.
- c) **Corruption, fraud and conflict of interest are avoided:** Operations are under strict measures to prevent corruption, fraud or conflict of interest.
- d) **People's well-being and human rights:** NAT is committed to uphold human rights and child protection across all our supply chain. Additionally, our operations are free from forced labor, modern slavery, and human trafficking, ensuring that all workers can choose their employment freely, without coercion or undue dependency.
- e) **Environmental responsibility:** Through responsible sourcing that prioritizes environmental stewardship and the protection of natural resources, NAT' goal is to minimize negative environmental impacts from our activities and those of our suppliers. To achieve this, compliance with legal requirements governing forest management and harvesting is essential to our operations.

## 5. To ensure the successful implementation of our Responsible Sourcing Policy, we will undertake the following initiatives. Due Diligence System

NAT has established a robust due diligence system to effectively manage potential risks within the scope of the EUDR, reflecting a commitment to maintain an up-to-date framework of procedures and measures to ensure that the relevant wood derived products placed on the EU market or export from it comply with the requirements outlined Article 3 of the regulation.

To achieve this, NAT will take the following actions:

1. NAT will collect and evaluate information about suppliers to ensure traceability and enable effective risk assessment.
2. NAT will perform risk assessments on all suppliers and the supply of relevant commodities and products to determine their compliance with our policy requirements.
3. If risks are identified that cannot be classified as negligible, NAT will implement appropriate risk mitigation actions to address and mitigate potential risks.

The due diligence system will be reviewed at least once a year. Additionally, if NAT becomes aware of new developments that could influence the due diligence system, NAT will update the system to take these developments into account.

# Arbeitsanweisung

## A3-AA-05

### EUDR-Policy Responsible Sourcing Policy

#### 6. Data management and record keeping

NAT shall keep all documentation used in each Due Diligence Statement performed for a minimum period of 5 years. The process followed for data management and record keeping is described in NAT Due Diligence Management System.

#### 7. EUDR Information System Declaration

NAT is committed to declaring in the EUDR Information System whenever it introduces, transforms, or trades relevant commodities and relevant products in the European Union, ensuring compliance with transparency and traceability requirements outlined in the scope of the EUDR.

#### 8. Annual compliance report

NAT commits to annually publishing a comprehensive report on our due diligence system, accessible to the public and available online. This report will detail the measures taken to comply with our obligations.

#### 9. Monitoring and verification

NAT will carry out regular audits/verifications and compliance checks to ensure adherence to the EUDR, at least once a year.

NAT is continuously following the latest developments in EUDR, local government legislation, updates on protected area enforcement, and international directives. NAT will adapt its approach to comply with EUDR, where necessary, whilst maintaining the key principles described above.

When the information provided by the suppliers is not enough to conclude and verify that the products are deforestation free and that the raw materials have been produced in compliance with the legislation of the country of origin, NAT shall trigger the review process. This review ensures that any new developments that could impact the system are promptly identified and integrated.

This flexible approach ensures that we stay agile and responsive to emerging challenges and opportunities, helping our policy not only meet current sustainability standards but also anticipate future trends.

NAT shall keep for five years a record of any updates implemented.

#### 10. Training and capacity building

NAT requires that all staff involved in the implementation of the due diligence system receive appropriate training to ensure they can fulfil our due diligence obligations effectively.

# Arbeitsanweisung

## A3-AA-05

### EUDR-Policy Responsible Sourcing Policy

Additionally, NAT commits to engaging in capacity-building activities, working with suppliers and other stakeholders to ensure compliance with the EUDR requirements. will also provide appropriate training and resources for employees, suppliers, and stakeholders on EUDR requirements and sustainable practices.

## 11. Roles and Responsibilities

To ensure compliance with the EUDR, the company has established clear roles and responsibilities across various functions.

When NAT produces a relevant product, NAT acts as an operator for this product. Therefore, it must exercise due diligence in accordance with Article 8; not place relevant products on the market or export them without prior submission of a due diligence statement and communicate to operators and to traders further down the supply chain all information necessary to demonstrate that due diligence was exercised.

When NAT sources a relevant product from the EU market and transforms it into a relevant product, to later place it in the market, NAT acts as a downstream operator and as an operator for export. Therefore, NAT must exercise Due Diligence in accordance with Article 8; not place relevant products on the market or export them without prior submission of a due diligence statement and communicate to operators and traders further down the supply chain all information necessary to demonstrate that due diligence was exercised.

## 12. Protocol for Non-Compliance Information

If NAT becomes aware of new information or substantiated concerns, indicating that a product that has been placed on the EU market might not comply with the regulation, the following actions will be taken to ensure that every complaint is handled promptly and effectively:

- *Inform Competent Authorities:* Immediately inform the competent authorities of the Member States where the product has been placed.
- *Inform Traders:* Notify the traders to whom the product was supplied.
- *Inform Export Authorities:* In the case of exports, inform the competent authority of the Member State which is the country of production.

Similarly, producers or suppliers who believe that an employee of NAT, or anyone acting on its behalf, has engaged in illegal or otherwise improper conduct, should report the matter to NAT. Suppliers can contact the employees' manager or use our Integrity Hotline. We assure that relationships with NAT will not be affected by an honest report of potential misconduct.

## 13. Cooperation with Competent Authorities

NAT will offer all necessary assistance to competent authorities to support checks under Article 18 of the EUDR. This includes:

- *Access to Premises:* Providing access to company premises for inspections.
- *Documentation and Records:* Making all relevant documentation and records available upon request.

# Arbeitsanweisung

## A3-AA-05

### EUDR-Policy Responsible Sourcing Policy

#### 14. Communication of Due Diligence Information

NAT will communicate the necessary information to operators and traders further down the supply chain to demonstrate:

- *Exercised Due Diligence*: Confirmation that due diligence was conducted.
- *Risk Assessment*: Assurance that no risk or only a negligible risk was identified.
- *Reference and verification Numbers*: Provision of reference and verification numbers of due diligence statements associated with the products.

#### 15. Communication and stakeholders

We are committed to fostering open, transparent, and meaningful dialogue with all our stakeholders, including customers, suppliers, community members, and industry partners. By providing regular updates, reports, and holding discussions, we ensure our stakeholders remain well-informed about our practices, progress, and challenges within our supply chain. We believe that this inclusive communication approach not only strengthens the effectiveness of our policy but also supports the overall sustainability and integrity of our operations.

This policy shall be publicly available and will be communicated to suppliers and other interested parties.

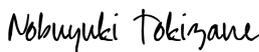
#### 16. Review and adaptation

NAT is continuously following the latest developments in EUDR, local government legislation, updates on protected area enforcement, and international directives. We will adapt our approach to comply with EUDR, where necessary, whilst maintaining the key principles described above.

#### 17. Governance

The implementation of this Policy is conducted and supported by the Managing Directors of Nissha Advanced Technologies Europe GmbH.

Signed by:

Signed by:  
  
755A8E71956A4F9...

Tokizane, Nobuyuki, CEO

Date: 1/9/2026 | 09:30:34 CET