

The Procurement department adheres to the [shared values](#) of the Group vision “Look Beyond”, namely, [Innovation & Operational Excellence](#), [Environment](#), [Integrity](#) and [Diversity](#), so as to accomplish its mission.

This involves working as one team to establish a reliable and sustainable supply chain of products, energy and services, at the right cost and quality level, through the development of long-term trusted relationships with our suppliers, services providers and business partners, in order to:

- ✓ support the business priorities;
- ✓ enhance AGC competitiveness;
- ✓ optimize the group financial results.

As a matter of principle, any purchase carried out by any authorized AGC employee (herein referred to as “Purchasers”) has to be performed professionally and with integrity, in the application of all the requirements of the [AGC Code of conduct](#) and of the guidelines set out in the AGC purchasing procedure<sup>1</sup>, more specifically:

1. **Procurement involvement:** As a general rule, the Procurement department must be directly involved since the very beginning of the sourcing process of goods and services whenever their nature, scope or amount is set within the rules detailed in the AGC purchasing procedure. For these purchasing categories, the selection of the suppliers is fully delegated to the Procurement department.
2. **Supplier selection:** The Procurement department seeks to do business with persons and companies that respect similar principles to the ones of our [AGC Code of conduct](#). Supplier level of commitment to these principles is one of the key criteria for the selection. We expect that our suppliers select their own suppliers and subcontractors in a way that contributes to support these principles. To ensure this, the Procurement department may issue surveys, perform Audits, attach the Code of conduct to the consultation documents or include their terms in the contractual clauses.
3. **Conflicts of interest:** The Purchasers and all the procurement process stakeholders act in the exclusive interest of the AGC Group. They avoid any relationship of dependence with any supplier and all situations leading to a conflict of interests. Furthermore, they fully comply with the gifts and entertainment policy. As a result, they are not permitted to accept any personal benefit that may affect their ability to work in the best interest of AGC (see principles 10 & 11 of the Code of Conduct).
4. **Environment & Sustainability:** The Procurement department contributes to the realization of the [company environmental targets](#) and the [sustainability](#) of its business model. For this purpose, we strive to:
  - a. include environmental targets as supplier selection criteria,
  - b. carefully select the specification of the products and materials we purchase, their origin, their proper means of transport and disposal,
  - c. challenge our current suppliers on their environmental performances versus our environmental targets,

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<sup>1</sup> “General R2P rules & Organization”

- d. cooperate with our suppliers to decrease the total environmental impact of the good and services they provide.
  - e. promote actions to foster green energy consumption and decrease natural resources usage.
5. **Occupational health and safety:** Purchasers adhere to the « No production without assurance of safety » policy and actively participate in the promotion of the OH & S activities in their sphere of influence. In particular:
- a. Service providers and external contacts must comply with AGC safety rules when entering AGC facilities.
  - b. Selected suppliers must comply with the norms and regulations related to the safety of the products, materials or services they deliver to AGC (like for example the CE directives).
  - c. The Procurement department encourages our business partners to follow the latest international standards in term of safe loading and cargo securing.
6. **Export controls:** The Procurement department complies with international trade law and export controls.
7. **Conflict minerals:** The Procurement department follows the [Conflict Mineral legislation](#) and is engaged in promoting the responsible mineral sourcing as set forth in the “AGC Group responsible mineral sourcing policy”.
8. **Confidentiality:** In order to protect AGC confidential information and intellectual property, Purchasers request their business partners to sign a Non-Disclosure Agreement (NDA) prior to any exchanges of confidential information. A confidentiality clause is also included in each new contract, providing that each Party undertakes not to reveal to anyone, any confidential information disclosed by the other Party under the Agreement. The specific confidentiality undertakings set out in these agreements shall remain in force for their whole duration and for an additional 10 years after their expiration.  
In addition to the foregoing, AGC complies with the Applicable Data Protection Laws and in particular with the Regulation of the European Parliament on the protection of natural persons with regard to the processing of personal data and on the free movement of such data (or the “General Data Protection Regulation” or the “GDPR”).
9. **J-SOX compliance:** The procurement operations are subject to strict controls that provide reasonable assurance of the effectiveness and efficiency of our operations, reliability of financial reporting and compliance with applicable laws and regulations.