

Message from the President

Let me thank you for your continued support and patronage extended to our company. Owing to your support and patronage, we were able to obtain the certificate from RESPONSIBLE JEWELLERY COUNCIL (RJC) last year.

There are only a few companies in Japan that have been granted the RJC certificate, and it is a great honor that we are one of such front-runner companies in Japan.

Meanwhile, in Europe and the U.S., major companies in the jewelry and accessory industry one after another have obtained the RJC certificate. Becoming an RJC certified company is now a very important milestone for every participant in the industry.

We are aiming to make our company a "100-year company". We will strive to promote our CSR activities further, as an RJC-certified company.

February 2021

Takeyuki Nakagawa
Representative Director and President
NAKAGAWA CORPORATION

Our CSR activities

1. Basic policy
We will fulfill our corporate social responsibility (CSR) by complying with [Company's Motto], [Basic Guidelines], and [Behavior Standards] as detailed in our Code of Conduct.
2. Compliance
Compliance is one of the most important issues in our effort to fulfill our CSR.
In view of risk assessment, we constantly attempt to identify potential risks of legal and regulatory violations in our business operation, and make sure to remove such risks. In particular, we prioritize areas related employment, KYC (know your customer), and bribery.
We performed a management review for risk assessment in December 2020.
3. Relationship with business partners
In the midst of severe business conditions caused by the outbreak of the COVID-19 pandemic, we strive to respond to demands of our business partners who have also been affected, by fully utilizing our strengths - business agility and flexibility.

4. Relationship with shareholders
 We have commenced our business restructuring with the aim of ensuring stable returns to our shareholders from a long-term perspective.
 We will start discussions in the year 2021 on details of the business restructuring, in our attempt to become a streamlined and lean corporate entity which would eventually turn to a "100-year company".
 - In December, we participated in a local crime prevention drill that was organized in cooperation with the local police, with our intention to join and cooperate in the community's endeavor for reinforcing crime prevention activities.
 [Ise Sales Office]
 - We participated in local volunteer firefighting activities every month.
 - In September, we performed cleanup of dumping sites.
 - We participate in the Red Feather Community Chest.
5. Contributions to local communities
 Although many business activities in our sales offices and factories were restricted during 2020 due to the outbreak of the COVID-19 pandemic, we managed to perform the following activities:
 [Kitakami Plant]
 - We conducted cleanup activities 5 times around the plant in March, June, August, October and November.
 - We actively supported fundraising activities and raised funds the for the Japanese Red Cross Society and the Green Fund.
 [Tsukuba Plant]
 - We raised funds for the Japanese Red Cross Society and made donations to the Amimachi Social Welfare Council.
 [Okachimachi Branch Office]
6. Relationship with employees
 Aiming to turn our company into a "100-year company," we have taken measures for improving our HR system, and restructuring our educational, human resources development schemes, with support of a Labor and Social Security Attorney as our consultant.
 Such measures are intended to make drastic changes to the conventional seniority-based promotion system, and to rebuild more fair HR system in which hard-working employees will be surely rewarded.
 We assume specific progresses in this matter could be announced from the year 2021 onward.
 - 7. Conservation of the global environment

We at Kitakami and Tsukuba Plants constantly monitor wastewater discharges to ensure that discharges from the Plants never fail to meet local wastewater standards. Also, we at the Plants have hired external subcontractors who are assigned to check wastewater discharges regularly.

We are also promoting introduction of clean energy sources in our manufacturing process. For example, we consider introducing solar-powered generators at the Kitakami Plant.

8. Responsible minerals management

We purchase gold and other bullion only from suppliers strictly following the OECD guidelines. In addition, we are building a digital system that enables issuance of transfer documents, if requested by our business partners.

January 2021