Sustainable Procurement

Socially Responsible Procurement

Under its Procurement Management Standards, ADEKA conducts procurement activities based on trust and cooperation with its partners. The company is working to revise the Procurement Management Standards as well as to formulate and release the Basic Purchasing Policy and Purchasing Guidelines to further stabilize procurement and establish a sustainable supply chain based on CSR.

ADEKA is in the process of developing a system for managing its OEM suppliers, which will launch in fiscal 2019.

Initiatives for Developing a Global Logistics System

The ADEKA Group is advancing various initiatives to optimize its global procurement, including a global management system (GMS) that enables Group companies to globally share procurement data. Procurement staff around the globe work together to optimize the Group procurement by centralizing the procurement of common raw materials and sharing supplier data. The Group is also strengthening its cooperation with overseas subsidiaries by sending procurement personnel from the chemicals business to train and instruct local procurement staff and increase interaction between personnel.

To ensure the stable and continuous supply of its products, the Group is optimizing its inventory management and asks suppliers to maintain inventories of raw materials that are used for the Group’s products. ADEKA also cooperates with local Group companies to prepare business continuity plans (BCPs) for the overseas procurement of raw materials, and sources raw materials from multiple suppliers.

Ensuring the Compliance of Suppliers

ADEKA ensures that suppliers understand its procurement policy by distributing its Risk Management Guidelines, BCPs for the overseas procurement of raw materials, and guidelines for overseas procurement. The Group also cooperates with local Group companies to prepare business continuity plans (BCPs) for the overseas procurement of raw materials, and sources raw materials from multiple suppliers.

Eliminating Conflict Minerals

As a company that seeks coexistence and co-prosperity with society, ADEKA does not purchase raw materials that contain conflict minerals. To prevent such use, we ask suppliers to respond to the Environmentally Hazardous Substance Survey when concluding a quality warranty agreement.

Sustainable Procurement of Palm Oil

In April 2018, the ADEKA Group acquired Roundtable on Sustainable Palm Oil (RSPO) supply chain certification, newly encompassing the Akashi Plant and ADEKA FOODS (ASIA) SDN. BHD.

The Group will continue working to influence supply chains through regular visits to palm plantations and palm oil mills, in order to practice sustainable palm oil procurement.

Eco-Friendly Logistics

The ADEKA Group is shifting to more eco-friendly modes of transport, such as reducing truck transport in favor of container-based ocean transport to ship products from plants to regional distribution centers.

Sustainability Ratings

ADEKA was awarded a Silver Medal by EcoVadis, which assesses supply chain CSR performance. The EcoVadis platform serves more than 50,000 companies covering 190 categories and 150 countries. The EcoVadis assessment for ethical and fair business practices placed the Company among the top 14% of chemicals manufacturers assessed.

Cooperation with business partners

Safety Conference for Logistics Companies

To ensure that the ADEKA Group logistics system is capable of securely and safely delivering products to customers, the Group holds several safety conferences every year, bringing together ADEKA Logistics Corp. and all logistics partners.

Safety conferences study accident reports and the root causes and discuss the validity and effectiveness of measures. At the safety conference for tank truck transport, efforts are being made to improve the emergency response capabilities of drivers by providing leakage accident skills.

Forging Stronger Partnerships

The ADEKA Group will evolve in step with its distributors who deliver products to customers. Placing top priority on customers, the Group promotes initiatives that transcend corporate boundaries, such as regular meetings for dealers to brief them on the Group’s business policies and plans. Also, the ADEKA Group organizes intensive seminars for new employees of ADEKA and its distributors in the chemicals and food businesses, providing negotiation skills training and knowledge on products and technologies.

These initiatives are being implemented both in and outside of Japan. In China, ADEKA FOODS (CHANGSHU) CO., LTD. organized the 11th meeting of RISU BRAND distributors, which was attended by 34 persons representing 28 leading distributors.