



NIPPON SEIKI

Nippon Seiki
Supplier Sustainability Guidelines

March 2024 (1st Edition)
Nippon Seiki Co., Ltd.

Contents

Introduction	2
Nippon Seiki Group Sustainability Policy	3
Nippon Seiki Supplier Sustainability Guidelines	3
1. Safety and Quality	3
2. Human Rights and Labour.....	3
3. Environment	4
4. Responsible mineral procurement	5
5. Compliance.....	5
6. Information Disclosure.....	6
Revision History	6

Introduction

Our company is promoting its business activities under the new management philosophy of "We contribute to the sustainable prosperity of society and our business, by adhering to and challenging the lean principles.". In order to achieve this goal, we believe that the understanding and cooperation of our business partners (Listed below as Partner) is necessary, and we have issued these guidelines in order to build relationships with transparency and fairness.

We expect that our company and its partners will continue to contribute to the creation of a sustainable and effective business environment. We appreciate your understanding and cooperation.

Our Expectation

1. Sharing Common Values

We ask our partners to share our common values with our company. These include respect for the environment, compliance with social responsibility, and the enforcement of ethical business practices.

2. Compliance with Guidelines

These Guidelines specify the basic principles that both our company and its partners must adhere to. We ask that you understand these principles and share them with the supply chain from the second level onward to ensure compliance.

3. Building Sustainable Cooperation

Our company aims to build long-term, sustainable cooperation. We ask our partners to play a role in growing together, overcoming challenges and sharing success.

4. Promotion of Communication

Open and effective communication is key to sustainable business partnerships. We promote communication from time to time to ensure smooth cooperation between our company and our partners. If you have any questions or concerns, please do not hesitate to let us know.

5. Continuous Improvement

Our company constantly strives to improve its business processes and initiatives. We ask our partners to contribute to the development of the entire industry by proactively proposing improvements and sharing innovations.

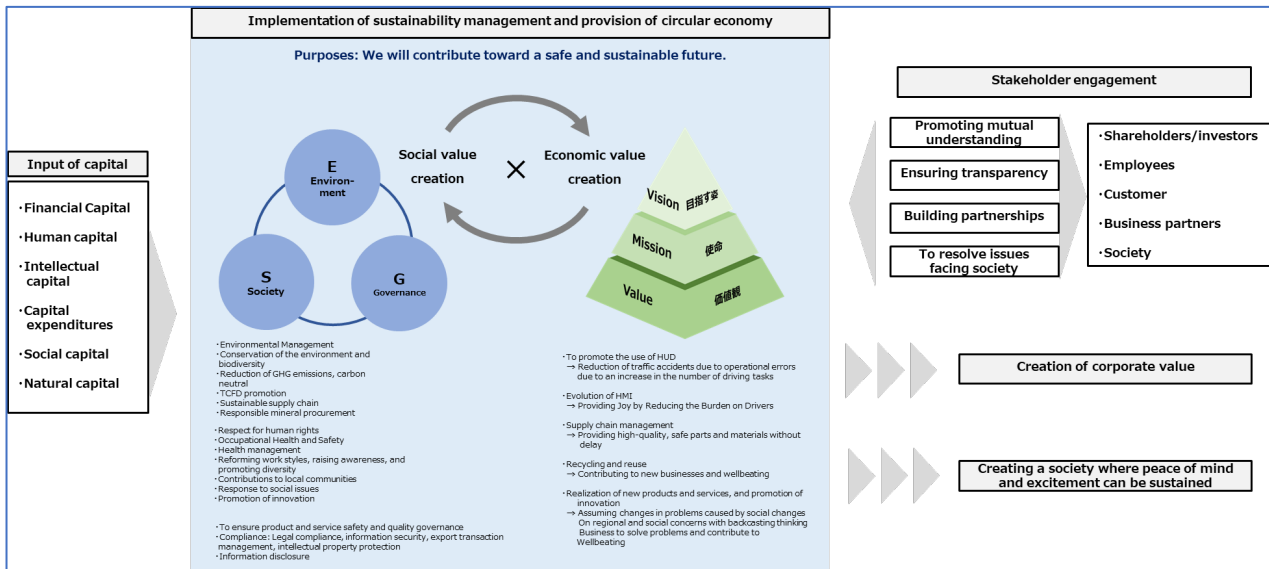
6. Prohibition of Gifting, Entertaining and Providing Benefits, etc.

We prohibit receiving gifts, entertaining and providing benefits from our partners in all domestic and foreign transactions. In order to maintain fairness, we ask for your understanding.

Nippon Seiki Co., Ltd.
Chief of the Sourcing Headquarters
Operating Officer
Shinobu Sekiguchi

Nippon Seiki Group Sustainability Policy

By conducting corporate activities that balance social and economic values based on our corporate philosophy and management philosophy, we resolve social issues, emphasize dialogue with all stakeholders, and pursue the realization of a sustainable society.



Nippon Seiki Supplier Sustainability Guidelines

1. Safety and Quality

- 1.1 Providing Products and Services that Meet Customer Needs
We understand customer needs from their perspective and provide high-value products and services.
- 1.2 Providing Appropriate Information on Products and Services
We provide accurate and appropriate information on products and services. We ensure that the information is easy to understand and transparent.
- 1.3 Securing Products and Services
We ensure the safety of our products and services and minimize risks to users and society.
- 1.4 Ensuring Quality of Products and Services
We ensure the quality of our products and services, build a quality management system that works to continuously improve quality, and improve the reliability of our products and services.

2. Human Rights and Labour

- 2.1 Prohibition of Forced Labor and Child Labor
We do not permit any labor that is forced by threat of punishment, such as labor of children under the minimum age for employment, human trafficking, or violence, as stipulated by the laws and regulations of each country.
- 2.2 Prohibition of Discrimination and Harassment
We do not tolerate discrimination on the basis of character, gender, age, physical characteristics, birth, nationality, educational background, creed, religion, race, ethnicity, intellectual or physical disability, medical history, hobbies, social status, or anything else that forms the characteristics of an individual, nor do we treat any individual unfavorably in hiring or providing working conditions. We do not tolerate any form of harassment, whether mental or physical, including power harassment, sexual harassment, maternity

(paternity) harassment, and nursing care harassment.

2.3 Respect and Acceptance of Diversity

We promote diversity and inclusion initiatives so that each and every one of our employees can express his or her individuality and maximize his or her abilities.

2.4 Prohibition of Underpayment and Nonpayment of Wages

We pay wages to all employees in accordance with the procedures stipulated in labor contracts and regulations.

2.5 Prohibition of Excessive Labor

We prohibit all employees from working in excess of the maximum working hours stipulated by the laws and agreements of each country, and promote the appropriate use of rest breaks and vacations, so that each and every employee can achieve a work-life balance and become an organization that realizes a work style in line with the times.

2.6 Compliance with Occupational Health and Safety

Based on our safety philosophy of "Respect for People," we aim to eliminate occupational accidents by continuously and proactively improving and promoting initiatives to address occupational health and safety risks and opportunities that may arise through our global and diverse business activities, including product and component development, design, material procurement, manufacturing, sales, and quality assurance.

2.7 Rights of Migrant and Foreign Workers

We do not treat migrant and foreign workers unfavorably in terms of wages and working hours because of their nationality or place of origin.

2.8 Rights of Indigenous and Local Residents

We shall not infringe on the human rights of indigenous and local residents in any way in the course of our business activities. In addition, we do not engage in any acts of dispossession of land or resources, pollution of forests or water resources, forced displacement, or infringement on the livelihood or culture in the course of our business activities.

2.9 Freedom of Association

We do not interfere with employees' decision to join or associate with labor unions, nor do we treat employees unfavorably because of their membership in labor unions.

2.10 Right to Privacy

We do not acquire, store, disclose, or provide to third parties personal information such as family, residence, beliefs, and private life without the consent of our employees. We do not engage in any defamation or invasion of privacy that may occur with the spread of the Internet.

2.11 Freedom of Expression

We respect the opinions of all employees and all of our stakeholders. We do not tolerate any interference with the holding of such opinions.

3. **Environment**

3.1 Environmental Management

In order to promote our environmental activities, we establish and maintain an environmental management system, comply with local laws and regulations, and minimize the environmental impact of our business activities.

3.2 Reducing Greenhouse Gas Emissions

We manage greenhouse gas emissions that cause global warming and promote efforts to reduce those emissions. We also promote the effective use of energy and the use of renewable energy.

3.3 Prevention of Environmental Pollution such as Air, Water and Soil

We comply with the laws and regulations of each country concerning environmental pollution such as air, water and soil, and continuously monitor and monitor the same.

3.4 Resource Conservation and Waste Reduction

We comply with the laws and regulations of each country regarding the disposal of waste, promote the efficient use of resources, recycling and recycling, and work to reduce the amount of final waste disposal.

3.5 Management of Chemical Substances

We comply with the laws and regulations of each country regarding chemical substances, minimize the use of hazardous substances, examine substitutable materials, and safely manage chemical substances in order to minimize their impact on the environment.

3.6 Conservation of Biodiversity

We understand the importance of biodiversity in our overall business activities, including the procurement of raw materials, and strive to protect ecosystems and biodiversity.

For more information on environmental sustainability, please refer to the "Nippon Seiki Green Procurement Guidelines (https://www.nippon-seiki.co.jp/sustaina_en/#contents03)" on our company website.

4. **Responsible Mineral Procurement**

4.1 Non-use of Conflict Minerals that cause Human Rights Violations

We aim to avoid the use of conflict minerals that cause human rights violations, and we assess the situation and respond appropriately.

For details on the conflict minerals survey, please refer to the "Nippon Seiki Green Procurement Guidelines (https://www.nippon-seiki.co.jp/sustaina_en/#contents03)" on our company website.

5. **Compliance**

5.1 Compliance with Laws

We comply with domestic and international laws and regulations, operate in accordance with regulations and laws, and develop policies, systems, action guidelines, reporting systems, education and other mechanisms.

5.2 Compliance with Competition Law

We comply with each country's competition laws, such as the Antimonopoly Law and the Unfair Competition Law, and conduct fair and transparent transactions.

5.3 Prohibition of Bribery and Illegal Profit-Sharing

We do not engage in any bribery or illegal profit-sharing in violation of laws and regulations in any domestic or foreign transactions.

5.4 Prohibition of Conflict of Interest

We do not conduct transactions that benefit ourselves or our business partners or third parties at the expense of the company's interests.

5.5 Management and Protection of Confidential Information

We strive to appropriately manage and protect the personal and confidential information of our business partners, customers, employees and third parties, prevent leaks and unauthorized access, and ensure information security.

5.6 Protection of Callers

We ensure that the whistleblower is not retaliated against for reporting misconduct or violations of law, strictly observe the privacy of the whistleblower, and handle the content of the report carefully and fairly.

5.7 Export and Import Transaction Control

In international business transactions, we comply with the export regulations and trade restrictions of each country and conduct appropriate export and import transactions and controls with those countries.

5.8 Protecting Intellectual Property

We protect the intellectual property rights that we own or belong to ourselves, respect the intellectual property

rights of others, and strive not to infringe others' copyrights, patents, trademarks, etc.

6. **Information Disclosure**

6.1 Information Disclosure to Stakeholders

We emphasize transparency and accountability in providing information on our business conditions, business activities, and impact on society. We disclose information appropriately to stakeholders and build and maintain trusting relationships.

Revision History

March 2024 issue of the first edition

