

Takasago Group Supplier Code of Conduct

The Takasago group strives to make contributions to sustainable economic growth and the resolution of social issues through our business activities. In terms of procurement on raw materials as well as all goods and services necessary, Takasago aims realization of “responsible sourcing” based on our Corporate Procurement Policy. We would like to promote this approach by sharing values with suppliers and their cooperating businesses. Here we have established Takasago Group Supplier Code of Conduct with putting the matters expected of our suppliers into writing. We would like suppliers to understand the purpose of this Code of Conduct and actively put efforts into its implementation.

The Takasago group aims to ensure solid supply chains that consider our social responsibility and to continue working for a sustainable society.

Respect for Human Rights

Suppliers shall comply with the laws and regulations of all countries where it conducts its business activities. Suppliers will also respect international human rights standards to the maximum extent possible, and actively promote these standards.

Prohibition of Discrimination and Harassments

Suppliers shall respect local cultures, and have zero tolerance for discrimination based on race, nationality, gender, sexual orientation, age, genealogy, religion, place of origin, immigrant, disability, or any other personal status.

Suppliers shall not make any statements or act in any ways that violate human rights, including sexual harassment, power harassment, etc.

Prohibition of Forced Labor, Etc.

Suppliers shall not be involved, in any ways, in any forced labor, such as labor with physical or psychological constraint.

Prohibition of Child Labor

Suppliers shall not hire children who have not yet reached the highest age either 16 years of age or the minimum employment age as prescribed by local laws and regulations.

Respect for Freedom of Association and Collective Bargaining Rights

Suppliers shall respect employees’ freedom of association and collective bargaining rights and shall practice appropriate communication with employees to resolve problems relating to the

workplace and employment conditions.

Comply with Labor Law

Suppliers shall pay employees at least the minimum wage as well as overtime wages and other extra pay in keeping with the wage laws and ordinances that apply in each country or region.

Suppliers shall enable employees to know the rules concerning their allowance, paid-day off and so on.

Occupational health and Safety

Suppliers shall endeavor to protect the environment and create a work environment where employees can work in a safe and healthy manner through the assessment and mitigation of EHS risks from their business activities.

Suppliers shall conduct trainings and drills to protect employees from occupational accidents and other dangers.

Fair Business Practices

Compliance

Suppliers shall observe all local laws and regulations as well as international rules and respect local culture and customs.

Prohibition of Bribery

Suppliers shall not undertake bribery of any 3rd party.

Suppliers shall obey to the laws and regulations of the country in which they operate because a facilitation payment is considered as a bribe in many jurisdictions.

Facilitation payment: Small payments or fees made to speed up or facilitate the performance or routine government actions.

Complying with Antitrust and Competition Laws

Suppliers shall comply with all antitrust and competition laws and regulations applicable to their respective operations.

Deal with Any Organized Crime

Firmly deal with any organized crime that threaten the social order.

Animal Welfare

Suppliers shall comply with Takasago's "Position Statement on Animal Testing" on their research

and development activities.

Environment

Suppliers shall develop business flows taking account on reduction of environmental impacts. Suppliers shall recognize the importance of preserving the environment, and shall maintain a proactive stance toward such preservation including through promoting employees' engagements. As for Biodiversity, Suppliers shall take into consideration the impact on ecosystem by their operation process, and strive to eliminate any such impacts.

Quality Assurance

Suppliers shall provide their customers with appropriate information on their products and services, and respond to inquiries from its customers in a timely and comprehensive manner.

Internet Security and Information Management

Internet Security

Suppliers shall implement all necessary measures and review them regularly to protect computer systems and networks, put in place appropriate controls.

Protection of Confidential Information, Personal Information, and Intellectual Property

Suppliers shall comply with applicable privacy and data protection laws and ensure the protection, security and lawful use of personal data. Also, development of adequate management processes should be put in place so as not to infringe upon any intellectual property rights.

Suppliers shall timely disclose to the Takasago group any issues relating to this code.

Whistle-blowing System

Suppliers shall develop a system to accept whistle-blowing and complaints from their employees and other stakeholders, shall make sure to protect their employees, and shall take appropriate measures to rectify the status and conditions against which such valid complaints are made, while always taking the privacy of whistle-blowers into consideration.

In Closing

The Takasago group aims realization of “responsible sourcing” by sharing values with suppliers and their cooperating businesses.

Takasago requests its Suppliers to share this Code of Conduct with their own staff and practice compliance to this code. Takasago requests Suppliers to work with their own suppliers to follow this Code of Conduct.

Revised as of 11th March, 2021