



Kyocera Group
Supply Chain Code of Conduct

Jan 14, 2025

Introduction

The Kyocera Group is committed to sustainable management to ensure sustainable development of both society and the Group, and aims to provide values that can contribute to solving social issues through our business activities. In recent years, with increasingly globalizing corporate activities and advancing computerization, corporate initiatives aimed at development of sustainable society have been attracting greater attention year after year. In addition, as such international documents as the “United Nations Guiding Principles on Business and Human Rights,” the “Sustainable Development Goals (SDGs),” the “Organization for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises,” and the “International Labour Organization (ILO) Declaration on Multinational Enterprises” are issued and revised, companies are expected not only to take responsibilities in legal/regulatory compliance but also to perform responsible corporate activities. The Kyocera Group also participates in the United Nations Global Compact setting forth 10 principles on human rights, labor, environment, and anti-corruption measures, and has established the “Kyocera Group CSR Policy” and the “Kyocera Group Human Rights Policy.” We will continue to work actively for development of a sustainable society through our corporate activities.

In order to contribute to development of a sustainable society throughout our supply chain, we established “Kyocera Supply Chain CSR Procurement Guideline” in 2008, and have revised them repeatedly, asking suppliers for cooperation. However, as the needs of society and customers are becoming increasingly complex and diverse, in order to respond to their various needs in cooperation with our business partners, we have revised the content of the Guideline and changed the title to “Kyocera Group Supply Chain Code of Conduct.” The main points of the revision are as follows.

1. Publication of revised Kyocera Group Human Rights Policy

In response to the growing global demand for companies to be more actively involved in human rights protection stemming from the occurrence of human rights violations such as forced labor overseas, the "Kyocera Group Human Rights Policy" established in November 2020 has been revised and announced on the Kyocera website to clearly demonstrate the Kyocera Group's compliance with the UN Guiding Principles on Business and Human Rights.

Kyocera asks business partners, including material suppliers, staffing agencies, and on-site contractors, to understand and comply with this policy, which strengthens efforts to respect human rights for all people in the Kyocera Group's value chain. The Kyocera Group Human Rights Policy is listed at the beginning of this Code of Conduct as the main point, please read and comply carefully.

2. Compliance with the RBA Code of Conduct (Current Ver.8.0) as a member of the RBA

In July 2022, Kyocera Corporation joined the Responsible Business Alliance (RBA), the world's largest industry coalition dedicated to promoting corporate social responsibility in the global supply chain. The RBA is comprised of electronics, retail, auto and toy companies committed to supporting the rights and well-being of workers and communities worldwide affected by the global supply chain. As a leading global company with more than 80,000 responsible corporate citizens, Kyocera fully supports RBA's vision and goals.

■ RBA's Vision

A coalition of companies driving sustainable value for workers, the environment and business throughout the global supply chain.

■ RBA's Mission

Members, suppliers and stakeholders collaborate to improve working and environmental conditions and business performance through leading standards and practices.

Kyocera's businesses align with sustainability through the Kyocera Management Rationale: "To provide opportunities for the material and intellectual growth of all our employees, and through our joint efforts, contribute to the advancement of society and humankind." Joining RBA represents a further commitment, above and beyond legal compliance, to promote a fair and sincere approach to sustainable management in all aspects of the company's operations.

Kyocera will continue to work toward a more sustainable society in accordance with RBA's standardized code of conduct, and will involve suppliers in its continuous improvement efforts toward more sustainable supply chains globally. To achieve these objectives, Kyocera Group Supply Chain Code of Conduct based on the RBA Code of Conduct Version 8.0(revised January 2024).

You are kindly requested to understand these Guidelines and continue to provide cooperation. We would also like to ask you to ensure that these Guidelines are deployed properly at your business partners. Please note that if you do not agree to these activities of ours, we will have to reconsider our mutual transactions.

These Guidelines explains the Kyocera Group's basic guidelines. If any Group company has its own guidelines, please follow the latter.

Basic Policy on Purchasing

Based on Kyocera Philosophy, we, at Corporate Purchasing Group, always consider, “what is the right thing to do as a human being,” and make aboveboard purchases with humble gratitude.

1. Mission Statement of Corporate Purchasing Group

“Contributing to value creation and business development through materials business, we diligently conduct work, coexist with business partners, thus attempt to be better people, and win society’s trust.”

We, at the Purchasing Group, aim to become a reliable and valuable group of workers by always being grateful, humbly reflecting, and making incessant efforts.

2. Supplier Selection Policy

We select suppliers, based on the following policies.

- Understanding our basic philosophy.
- The supplier’s top management’s way of thinking and management philosophy are acceptable to us.
- Consistently aiming to improve management ability, technological prowess, and manufacturing capabilities, and exhibiting appropriate and stable management conditions in terms of its scale and finances.
- Exhibiting overall excellence in quality, price, delivery time, and service capability.
- Actively performing global environmental conservation initiatives.
- Capable of complying with “Kyocera Group Supply Chain Code of Conduct”

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Kyocera Group Human Rights Policy

The Kyocera Group is engaged in corporate activities to create a sustainable society under the management rationale of " To provide opportunities for the material and intellectual growth of all our employees, and through our joint efforts, contribute to the advancement of society and humankind" and based on the Kyocera Philosophy^{*1} which is the corporate philosophy that forms the basis of our management.

We also recognize that our corporate activities have various impacts on the global environment and the lives of people and we believe that it is the most important responsibility for a company to respect the human rights of everyone involve in the entire value chain.

Each employee will contribute to the progress and development of a society in which the human rights of all people are respected by acting based on the Kyocera Philosophy and using "what is right as a human being" as a criteria for judgment.

(*1) The Kyocera Philosophy is the management philosophy of the Kyocera Group based on the criteria of "What is right as a human being".

(Reference) [Management Philosophy | KYOCERA](#)

Position of this policy

The Kyocera Group Human Rights Policy (Hereinafter, this policy) is a code of conduct for employees based on the Kyocera Philosophy and realizing the Management Rationale. It was discussed and approved by the Board of Directors and signed by the President and Representative Director of Kyocera Corporation. The term "Kyocera Group" in this Policy refers to Kyocera Corporation and Kyocera Group companies, and the term "employees" includes all officers, full-time employee, fixed-term and short-time employees, contract employees, and temporary employees working for the Kyocera Group. "Business partners" includes material suppliers, staffing agencies, and on-site contractors.

We have also obtained expert advice from external experts in the preparation and revision of this policy.

Scope of this policy

This policy applies to all Kyocera Group employees. We also require all business partners, including suppliers, to understand and comply with this policy.

Basic approach to human rights

In accordance with the United Nations Guiding Principles on Business and Human Rights, the Kyocera Group will fulfill our responsibility to respect human rights by avoiding violations of human rights in our business activities and taking appropriate

action to correct any adverse impact on human rights. We respect the human rights defined by the International Bill of Human Rights and the ILO Declaration on Fundamental Principles and Rights at Work ^{*2}, and we respect children's rights based on the Children's Rights and Business Principles. We also respect international standards, including the "OECD Guidelines for Multinational Enterprises on Responsible Business Conduct", and are a signatory to the "10 Principles of the UN Global Compact".

We comply with applicable laws and regulations in the countries and regions where we conduct business. However, where national law and internationally recognized human rights principles differ, we follow higher standards and seek ways to maximize respect for internationally recognized human rights. We do not tolerate or be complicit in threats, intimidation or attacks against human rights defenders who strive to protect and promote human rights in a peaceful manner.

(*2) Includes the following core labor standards: the elimination of all forms of forced or compulsory labor, the effective abolition of child labor, the elimination of discrimination in respect of employment and occupation, freedom of association and the effective recognition of the right to collective bargaining, and a safe and healthy working environment.

Human rights due diligence

The Kyocera Group undertakes human rights due diligence to identify, prevent and mitigate adverse human rights impacts in the value chain. Human rights due diligence actively involves internal and external input, including from affected right holders. We also respond appropriately through active dialogue when we determine that adverse human rights impacts are occurring or are likely to occur in the value chain.

Remedial action

If the Kyocera Group is found to be causing or contributing to adverse human rights impacts, we consider all possible means and work to provide for or cooperate in remediation. In addition, if we find adverse human rights impacts that are linked to our business, we engage in dialogue with our business partners to work together toward redress.

If there are adverse human rights impacts on the Kyocera Group value chain, we work to resolve all, but if we are unable to address all at the same time and need to prioritize our efforts, we re-evaluate the impact on human rights and prioritize the most severe issues where delayed response would make the circumstance irremediable.

Access to remedy

The Kyocera Group has established and publicized a hotline where all stakeholders

can report their human rights concerns without fear of disadvantage. We will promptly investigate reports received and work diligently with the parties concerned to resolve problems. We also strive for continuous improvement based on the experience gained from our efforts.

The Kyocera Group believes that these reports and feedback enhance the transparency of corporate activities and strengthen trust with stakeholders. Therefore, we do not prevent stakeholders seeking redress from using judicial or non-judicial grievance mechanisms, and we also cooperate positively with judicial or non-judicial grievance mechanisms. We do not require waivers of legal rights to file through other judicial or non-judicial grievance mechanisms as a condition of using grievance mechanisms, nor do we require confidentiality clauses for human rights concerns. In addition, the Kyocera Group does not condone retaliation against those who have sincerely expressed concern or cooperated in the investigation but protect them in accordance with the laws and regulations of each country.

(Reference) [Kyocera Compliance Hotline | KYOCERA](#)

Dissemination and education

The Kyocera Group we make efforts, so contents of this policy are reflected in internal policies and procedures and realize them. We will also work to promote understanding of this policy through human rights education for employees, and by establishing "guidelines" for our business partners to follow.

Monitoring and information disclosure

The Kyocera Group undertakes continuous human rights due diligence based on the understanding that internationally recognized human rights change with time and the social environment. We also monitor responses to remediation, mitigation, prevention and evaluate the effectiveness of efforts to respect human rights. The progress of these efforts will be disclosed in a timely and appropriate manner. When disclosing information, we make sure that affected rights holders are not in a position of disadvantaged.

Established: November 2, 2020

Revised: August 1, 2024

President and Representative Director, Kyocera Corporation

Hideo Tanimoto

Promotion System

1. Human rights due diligence system

The Kyocera Group regards human rights risks as a corporate risk, and the results of conducting human rights due diligence are approved by the Risk Management Committee chaired by the President and Representative Director of Kyocera Corporation. The matters discussed by the Risk Management Committee, including human rights, are reported to and supervised by the Board of Directors. Human rights due diligence is carried out by the Corporate General Affairs Human Resources Group of Kyocera Corporation in cooperation with relevant departments, including supply chain management departments, incorporating both internal and external expert advice. The effectiveness of human rights due diligence is evaluated by incorporating opinions from affected rights holders through surveys and interviews. Measures to prevent or mitigate adverse human rights impacts, or to remedy them, are carried out by the relevant departments that will take responsibility, and their progress is monitored.

2. Remedial process

The Kyocera Group provides access to by establishing and publicizing multiple channels through which internal and external stakeholders can report human rights concerns without fear of disadvantage. In addition to the "Compliance Hotline," which is accepted by specialized organizations within the Kyocera Group, there is also a contact for external specialized organizations. All these services are available anonymously, and we take care to protect the privacy of the reporting party and ensure that the reporting party and the cooperating party are not treated unfavorably.

Kyocera Corporation's Corporate General Affairs Human Resources Group and other relevant departments will cooperate to investigate and consider corrective measures. In cases where corrective measures are deemed necessary, appropriate corrective measures will be taken through dialogue with the parties concerned and experts, and efforts will be made to prevent recurrence as lessons learned. Corrective measures are determined and executed by the relevant department in response to a reported incident, and the Senior General Manager of Corporate General Affairs Human Resources Group is responsible for the implementation of human rights corrective measures.

Kyocera Group Policy for Addressing Human Rights Issues

The Kyocera Group evaluated the adverse impact on human rights (Hereinafter, "Human rights issues that have emerged") and the potential adverse impact on human rights (Hereinafter, "potential human rights challenges"), by rights holder ("employees (non-consolidated)," "employees (domestic groups)," "employees (overseas groups)," "suppliers," "temporary employees," "contractors," "local residents" and "consumers"), country and industry. with the cooperation of external organizations. We then identified the following 13 issues as "human rights issues (outstanding human rights issues) that the Kyocera Group should address" based on the severity of impact and likelihood of occurrence, which we analyzed by checking internal records, interviewing relevant departments and labor unions as affected right holders, and obtaining advice from external experts.

If the Kyocera Group is found to be causing or contributing to an adverse impact on human rights, we will promptly provide for or cooperate in their remediation. If we identify potential adverse human rights impacts, we take measures to prevent and mitigate. To promote efforts to respect human rights in accordance with the United Nations Guiding Principles on Business and Human Rights, it is important to assess the impact of salient human rights issues and take appropriate measures, including preventive measures. In particular, we will conduct surveys on the impact of human rights on each rights holder in each value chain, particularly in high-risk areas where there is concern that the impact could be severe if it were to surface. Workers include employees of business partners (Material suppliers, staffing agencies, premises contractors, etc.) in addition to employees of the Kyocera Group. Regarding the 13 salient human rights issues identified, we have established response policies to minimize adverse impacts. We also ask all business partners, including suppliers involved in Kyocera Group products and services, to understand and comply with this policy. We will respond appropriately to transactions with business partners who do not agree with this policy, considering the "severity of human rights violations" and the "adverse impact on human rights by reconsidering our business relationships."

Periodically conducting human rights due diligence and review of the human rights issues to be addressed and the response policy will be conducted.

13 Policies for responding to issues

1. Forced labor

- Provide workers with employment contracts in a language they can understand so they can correctly understand the contents of their employment contracts.
- Prohibit charging workers for hiring fees or other fees. If such fees are found to have been paid by the worker, such fees shall be refunded to the worker.
- The Company will not retain the original passports, government-issued identification materials, or other valuables of its employees.
- All work is voluntary and, if notice is given as contracted, the worker may take time off work or terminate the employment relationship without fines or penalty.

2. Child labor and youth labor

- Do not allow children ^{*1} to work at any stage of production.
(*1) Child: A person who is less than the higher of either the age of 15, or the age of completion of compulsory education, or the national minimum age for employment.
- Do not allow workers under 18 years of age (young workers) to engage in physically demanding work such as dangerous work ^{*2} including working at nighttime and overtime work.
(*2) Examples of dangerous work: working at heights, working with heavy materials and hazardous materials, etc.

3. Occupational safety and health

- Confirm workers have not suffered any death or serious illness/injury related to work.
- Conduct risk assessments for occupational safety and occupational health (including health).
- Provide workers with appropriate protective equipment.

4. Right to social security

- Encourage all eligible workers to purchase social insurance as required by law.

5. Fair wages

- Pay workers the wages (living wage) they need to maintain an appropriate standard of living.
- Wages are paid regularly and on time to workers in full.
- For overtime work, workers are paid appropriate extra wages that are equal to or above the legal minimum.

- Do not allow workers to bear the cost of purchasing work-related goods.

6. Fair working hours

- Working hours do not exceed the limits prescribed by local law.
- Weekly working hours do not exceed 60 hours, including overtime, except in emergency or unusual situations.
- Give at least one day off every seven days.
- All overtime work is done with consent.

7. Workplace discrimination

- "Race, color, age, sex, ethnicity, religion, political affiliation, marital status, pregnancy, sexual orientation, gender identity and expression, military service experience, protected genetic information, medical history and disability, information on affiliation, results of pregnancy and virginity tests" are not included in the standards and requirements at the time of hiring and after hiring, such as determining salary, training, promotion, dismissal etc.

8. Freedom of association and right to collective bargaining

- Respect the right to freedom of association and collective bargaining at the will of workers in accordance with local law. Establish legitimate alternatives and seek ways in which workers' rights are respected, even in situations and places where the right to freedom of association and collective bargaining are legally restricted.

9. Rights of foreign workers

- Employment contracts are given to foreign workers before they leave home country.
- Important documents ^{*3} provided to foreign workers are provided in a understandable language.

(*3) Important documents: recruitment guidelines, employment contracts, pay slips, work rules and regulations, safety and health manuals, internal and external consultation services, etc.

10. Social discrimination and invasion of privacy

- Do not contribute or be in violation of the privacy rights through the use of AI and IoT.

11. Harassment

- Conduct fact-checking investigations into harassment consultations and take appropriate measures, including measures to accommodate victims and punishment of perpetrators, as necessary.

12. Impact on local communities (environment and society)

- The local community will not be adversely affected by noise, odor, vibration, etc. at the factory.
- Pollution on the environment including rivers, groundwater, soil, that may be caused by business operations such as runoff of chemical substances will not adversely affect local communities.

13. Product safety

- It does not adversely affect users of any product due to defects in product design or errors in usage.

Code of Conduct

I. Human Rights and Labor

The company commits to respect the human rights of workers, and to treat them with dignity. This applies to direct and indirect suppliers, as well as all workers including temporary, migrant, student, contract, direct employees, and any other type of worker.

1) Prohibition of Forced Labor

- Forced labor in any form, including but not limited to, bonded (including debt bondage) or indentured labor, involuntary or exploitative prison labor, slavery or trafficking of persons is not permitted. This includes transporting, harboring, recruiting, transferring, or receiving persons by means of threat, force, coercion, abduction or fraud for labor or services.
- There shall be no unreasonable restrictions on workers' freedom of movement in the facility in addition to unreasonable restrictions on entering or exiting company- provided facilities including, if applicable, workers' dormitories or living quarters.
- As part of the hiring process, all workers must be provided with a written employment agreement in their native language, or in a language the worker can understand, that contains a description of terms and conditions of employment.
- Foreign migrant workers must receive the employment agreement prior to the worker departing from his or her country of origin and there shall be no substitution or change(s) allowed in the employment agreement upon arrival in the receiving country unless these changes are made to meet local law and provide equal or better terms.
- All work shall be voluntary, and workers shall be free to leave work at any time or terminate their employment without penalty if reasonable notice is given, which shall be clearly stated in workers' contracts. The company shall maintain documentation on all leaving workers.
- Employers, agents, and sub-agents' may not hold or otherwise destroy, conceal, or confiscate identity or immigration documents, such as government-issued identification, passports, or work permits.
Notwithstanding the foregoing, employers can only hold documentation if necessary to comply with the local law. In this case, at no time shall workers be denied access to their documents.

- Workers shall not be required to pay employers' agents or sub-agents' recruitment fees or other related fees for their employment. If any such fees are found to have been paid by workers, such fees shall be repaid to the worker.

2) Young Workers

- Child labor shall not be used in any stage of manufacturing. The term "child" refers to any person under the age of 15, or under the age for completing compulsory education, or under the minimum age for employment in the country, whichever is greatest.
- Workers under the age of 18 (Young Workers) shall not perform work that is likely to jeopardize their health or safety, including night shifts and overtime.
- The company shall ensure proper management of student workers through proper maintenance of student records, rigorous due diligence of educational partners, and protection of students' rights in accordance with applicable laws and regulations.
- The company shall implement an appropriate mechanism to verify the age of workers.
- The use of legitimate workplace learning programs, which comply with all laws and regulations, is supported.
- The employer shall provide appropriate support and training to all student workers.
- The company shall provide appropriate support and training to all student workers.
- If child labor is identified, assistance/remediation shall be provided for the child.

3) Working Hours

- Working hours shall not exceed the maximum set by local law.
- A workweek shall not be more than 60 hours per week, including overtime, except in emergency or unusual situations.
- All overtime shall be voluntary.
- Workers shall be allowed at least one day off every seven days.

4) Wages and Benefits

- Compensation paid to workers shall comply with all applicable wage laws, including those relating to minimum wages, overtime hours and legally

mandated benefits.

- All workers shall receive equal pay for equal work and qualification.
- Workers shall be compensated for overtime at pay rates greater than regular hourly rates.
- For each pay period, workers shall be provided with a timely and understandable wage statement that includes sufficient information to verify accurate compensation for work performed.
- All use of temporary, dispatch and outsourced labor shall be within the limits of the local law.

5) Non-Discrimination/Non-Harassment/Humane Treatment

- The company shall commit to a workplace free of harassment and unlawful discrimination.
- There shall be no harsh or inhumane treatment including violence, gender-based violence, sexual harassment, sexual abuse, corporal punishment, mental or physical coercion, bullying, public shaming, or verbal abuse of workers; nor is there to be the threat of any such treatment.
- Companies shall not engage in discrimination or harassment based on race, color, age, gender, sexual orientation, gender identity or expression, ethnicity or national origin, disability, pregnancy, religion, political affiliation, union membership, covered veteran status, protected genetic information or marital status in hiring and employment practices such as wages, promotions, rewards, and access to training. Disciplinary policies and procedures in support of these requirements shall be clearly defined and communicated to workers.
- Workers shall be provided with reasonable accommodation for religious practices and disability.
- Workers or potential workers should not be subjected to medical tests, including pregnancy or virginity tests, or physical exams that could be used in a discriminatory way. This was drafted in consideration of ILO Discrimination (Employment and Occupation) Convention (No.111).

6) Freedom of Association and Collective Bargaining

- Workers and/or their representatives shall be able to openly communicate and share ideas and concerns with management regarding working conditions and management practices without fear of discrimination, reprisal, intimidation, or harassment.

- The company shall respect the right of all workers to form and join trade unions of their own choosing, to bargain collectively, and to engage in peaceful assembly.
- Where the right of freedom of association and collective bargaining is restricted by applicable laws and regulations, workers shall be allowed to elect and join alternate lawful forms of worker representations.

II. Health and Safety

The company recognizes that in addition to minimizing the incidence of work-related injuries and illnesses, a safe and healthy working environment enhances the quality of products and services, consistency of production and worker retention and morale. The company also recognizes that ongoing worker input and education are essential to identifying and solving health and safety issues in the workplace.

1) Occupational Health and Safety

- Worker potential for exposure to health and safety hazards (chemical, electrical and other energy sources, fire, vehicles, and fall hazards, etc.) shall be identified and assessed, mitigated using the Hierarchy of Controls.
 - * Hierarchy Control: Gradual reduction risks in the order of eliminating the hazards → substitution → engineering measures → administrative measures → personal protective equipment.
- Where hazards cannot be adequately controlled by these means, workers shall be provided with appropriate, well-maintained, personal protective equipment, and educational materials about risks to them associated with these hazards.
- Gender-responsive measures shall be taken, such as not having pregnant women and nursing mothers in working conditions, which could be hazardous to them or their child and to provide reasonable accommodations for nursing mothers.

2) Emergency Preparedness

- Potential emergency situations and events shall be identified and assessed, and their impact minimized by implementing emergency plans and response procedures including emergency reporting, employee notification and evacuation procedures, worker training, and drills.
- Emergency drills shall be executed at least annually or as required by local law, whichever is more stringent.

- Emergency plans shall also include appropriate fire detection and suppression equipment, clear and unobstructed egress, adequate exit facilities, contact information for emergency responders, and recovery plans.
- Such plans and procedures shall focus on minimizing harm to life, the environment, and property.

3) Occupational Injury and Illness

- Procedures and systems shall be in place to prevent, manage, track and report occupational injuries and illnesses, including provisions to encourage worker reporting, classify and record injury and illness cases, provide necessary medical treatment, investigate cases and implement corrective actions to eliminate their causes, and facilitate the return of workers to work. The company shall allow workers to remove themselves from imminent harm, and not return until the situation is mitigated, without fear of retaliation.

4) Industrial Hygiene

- Worker exposure to chemical, biological, and physical agents shall be identified, evaluated, and controlled according to the Hierarchy of Controls.
- When hazards cannot be adequately controlled, workers shall be provided with and use appropriate, well-maintained, personal protective equipment free of charge.
- The company shall provide workers with safe and healthy working environments, which shall be maintained through ongoing, systematic monitoring of workers' health and working environments.
- The company shall provide occupational health monitoring to routinely evaluate if workers' health is being harmed from occupational exposures.
- Protective occupational health programs shall be ongoing and include educational materials about the risks associated with exposure to workplace hazards.

5) Physically Demanding Work

- Worker exposure to the hazards of physically demanding tasks, including manual material handling and heavy or repetitive lifting, prolonged standing, and highly repetitive or forceful assembly tasks shall be identified, evaluated, and controlled.

6) Machine Safeguarding

- Production and other machinery shall be evaluated for safety hazards. Physical guards, interlocks, and barriers shall be provided and properly maintained where machinery presents an injury hazard to workers.

7) Sanitation, Food, and Housing

- Workers shall be provided with ready access to clean toilet facilities, potable water and sanitary food preparation, storage, and eating facilities.
- Worker dormitories provided by the company or a labor agent shall be maintained to be clean and safe, and provided with appropriate emergency egress, hot water for bathing and showering, adequate lighting, and adequate conditioned ventilation, individually secured accommodations for storing personal and valuable items, and reasonable personal space along with reasonable entry and exit privileges.

8) Health and Safety Communication

- The company shall provide workers with appropriate workplace health and safety information and training in the language of the worker or in a language the worker can understand for all identified workplace hazards that workers are exposed to, including but not limited to mechanical, electrical, chemical, fire, and physical hazards.
- Health and safety related information shall be clearly posted in the facility or placed in a location identifiable and accessible by workers.
- Health information and training shall include content on specific risks to relevant demographics, such as gender and age, if applicable.
- Training shall be provided to all workers prior to the beginning of work and regularly thereafter. Workers shall be encouraged to raise any health and safety concerns without retaliation.

III. Environment

Across all business functions, the company recognizes that environmental responsibility is integral to producing world-class products. The company shall identify the environmental impacts and minimize adverse effects on the community, environment, and natural resources, while safeguarding the health and safety of the public.

1) Environmental Permits and Reporting

- All required environmental permits (e.g. discharge monitoring), approvals, and registrations shall be obtained, maintained, and kept current and their operational and reporting requirements shall be followed.

2) Pollution Prevention and Resource Conservation

- Emissions and discharges of pollutants and generation of waste shall be minimized or eliminated at the source or by practices such as adding pollution control equipment; modifying production, maintenance, and facility processes; or by other means. The use of natural resources, including water, fossil fuels, minerals, and virgin forest products, shall be conserved by practices such as modifying production, maintenance and facility processes, materials substitution, re-use, conservation, recycling, or other means.

3) Hazardous Substances

- Chemicals, waste, and other materials posing a hazard to humans or the environment shall be identified, labeled, and managed to ensure their safe handling, movement, storage, use, recycling or reuse, and disposal. Hazardous waste data shall be tracked and documented.

4) Solid Waste

- The company shall implement a systematic approach to identify, manage, reduce, and responsibly dispose of or recycle solid waste (non-hazardous). Waste data shall be tracked and documented.

5) Air Emissions

- Air emissions of volatile organic chemicals, aerosols, corrosives, particulates, ozone depleting substances, and combustion byproducts generated from operations shall be characterized, routinely monitored, controlled, and treated as required prior to discharge. Ozone- depleting substances shall be effectively managed in accordance with the Montreal Protocol and applicable regulations.
- The company shall conduct routine monitoring of the performance of its air emission control systems.

6) Materials Restrictions

- The company shall adhere to all applicable laws, regulations, and customer requirements regarding the prohibition or restriction of specific substances in

products and manufacturing, including labeling for recycling and disposal.

7) Water Management

- The company shall implement a water management program that documents, characterizes, and monitors water sources, use and discharge; seeks opportunities to conserve water; and controls channels of contamination.
- All wastewater shall be characterized, monitored, controlled, and treated as required prior to discharge or disposal.
- The company shall conduct routine monitoring of the performance of its wastewater treatment and containment systems to ensure optimal performance and regulatory compliance.

8) Energy Consumption and Greenhouse Gas Emissions

- The company shall establish and report against an absolute corporate-wide greenhouse gas reduction goal.
- Energy consumption and all Scopes 1, 2, and significant categories of Scope 3 greenhouse gas emissions shall be tracked, documented, and publicly reported.
- The company shall look for methods to improve energy efficiency and to minimize their energy consumption and greenhouse gas emissions.

IV. Ethics

To meet social responsibilities and to achieve success in the marketplace, the company and their agents shall uphold the highest standards of ethics including the following:

1) Business Integrity

- The highest standards of integrity shall be upheld in all business interactions. The company shall have a zero-tolerance policy to prohibit any and all forms of bribery, corruption, extortion and embezzlement.

2) No Improper Advantage

- Bribes or other means of obtaining undue or improper advantage shall not be promised, offered, authorized, given, or accepted. This prohibition covers promising, offering, authorizing, giving or accepting anything of value, either directly or indirectly through a third party, in order to obtain or retain business, direct business to any person, or otherwise gain an improper advantage.
- Monitoring, record keeping, and enforcement procedures shall be implemented to ensure compliance with anti-corruption laws.

3) Disclosure of Information

- All business dealings shall be transparently performed and accurately reflected on the company's business books and records. Information regarding company's labor, health and safety, environmental practices, business activities, structure, financial situation, and performance shall be disclosed in accordance with applicable regulations and prevailing industry practices. Falsification of records or misrepresentation of conditions or practices in the supply chain are unacceptable.

4) Intellectual Property

- Intellectual property rights shall be respected. Transfer of technology and know-how is to be done in a manner that protects intellectual property rights, and customer and supplier information shall be safeguarded.

5) Fair Business, Advertising and Competition

- Standards of fair business, advertising, and competition shall be upheld.

6) Protection of Identity and Non-Retaliation

- Programs that ensure the confidentiality, anonymity, and protection of supplier and employee whistleblowers shall be maintained, unless prohibited by law. The company shall have a communicated process for their personnel to be able to raise any concerns without fear of retaliation.

7) Privacy

- The company shall commit to protecting the reasonable privacy expectations of personal information of everyone they do business with, including suppliers, customers, consumers, and employees. The company shall comply with privacy and information security laws and regulatory requirements when personal information is collected, stored, processed, transmitted, and shared.

V. Management Systems

The company shall adopt or establish a management system with a scope that is related to the content of this Code. The management system shall be designed to ensure:

- (a) Compliance with applicable laws, regulations and customer requirements related to the company's operations and products.

(b) Conformance with this Code.

(c) Identification and mitigation of operational risks related to this Code. It shall also facilitate continual improvement.

The management system shall contain the following elements:

1) Company Commitment

- The company shall establish human rights, health and safety, environmental and ethics policy statements affirming the company's commitment to due diligence and continual improvement, endorsed by executive management. Policy statements shall be made public and communicated to workers in a language they understand via accessible channels.

2) Management Accountability and Responsibility

- The company shall clearly identify senior executive and company representative(s) responsible for ensuring implementation of the management systems and associated programs. Senior management reviews the status of the management systems on a regular basis.

3) Legal and Customer Requirements

- The company shall adopt or establish a process to identify, monitor and understand applicable laws, regulations, and customer requirements, including the requirements of this Code.

4) Risk Assessment and Risk Management

- The company shall adopt or establish a process to identify the legal compliance, environmental, health and safety, labor practice and ethics risks, including the risks of severe human rights and environmental impacts, associated with the company's operations.
- The company shall determine the relative significance for each risk and implement appropriate procedural and physical controls to control the identified risks and ensure regulatory compliance.

5) Improvement Objectives

- The company shall establish written performance objectives, targets and implementation plans to improve the company's social, environmental, and health and safety performance, including a periodic assessment of the company's performance in achieving those objectives.

6) Training

- The company shall establish programs for training managers and workers to implement the company's policies, procedures, and improvement objectives and to meet applicable legal and regulatory requirements.

7) Communication

- The company shall establish process for communicating clear and accurate information about the company's policies, practices, expectations, and performance to workers, suppliers, and customers.

8) Worker/Stakeholder Engagement and Access To Remedy

- The company shall establish processes for ongoing two-way communication with workers, their representatives, and other stakeholders where relevant or necessary. The process shall aim to obtain feedback on operational practices and conditions covered by this Code, and to foster continuous improvement.
- Workers shall be given a safe environment to provide grievance and feedback without fear of reprisal or retaliation.

9) Audits and Assessments

- The company shall conduct periodic self-evaluations to ensure conformity to legal and regulatory requirements, the content of the Code, and customer contractual requirements related to social and environmental responsibility.

10) Corrective Action Process

- The company shall establish a process for timely correction of deficiencies identified by internal or external assessments, inspections, investigations, and reviews.

11) Documentation and Records

- The company shall create and maintain documents and records to ensure regulatory compliance and conformity to company requirements along with appropriate confidentiality to protect privacy.

12) Supplier Responsibility

- The company shall establish a process to communicate Code requirements to suppliers and to monitor supplier compliance to the Code.

VI. Responsible Sourcing of Minerals

- Efforts shall be made, based on OECD Due Diligence Guidance.
- Investigations shall be carried out in accordance with the program of the “Responsible Minerals Initiative (RMI).”
- Action policies on the procurement of conflict minerals shall be established.
- These policies shall be made public through the company HP or other means.
- Eligible minerals must include 3TG, cobalt, mica, and all other minerals additionally notified by our company.
- The company shall require that the materials it procures be conflict-free.
- The smelter information shall be collected by means of a questionnaire designated by the RMI.
- Due diligence shall be performed on the information collected.
- A dispute mineral management system, including corrective actions, shall be in place and implemented.
- The processes and results of these activities shall be disclosed in response to customers’ requests.
- The company shall request manufacturers or refiners to provide any updates to their information.

VII. BCP (Business Continuity Plan)

- Social responsibility for business continuity plans (BCPs) shall be included in company policies and codes of conduct.
- These company policies and codes of conduct shall be disclosed to the public on its HP and by other means.
- Assumed risks and critical management resources (personnel, facilities, materials, and information) shall be identified and assessed; and target recovery periods shall be set.
- In order to achieve the target recovery periods, actions for critical management resources (personnel, facilities, materials, and information) that may be problems (bottlenecks) shall be planned and implemented.
- The organizational structure in case of a disaster and the response procedures covering initial responses until full recovery shall be clarified.
- Drills shall be conducted on a regular basis in accordance with the disaster response procedures.

VIII. Information Security

- The company shall take measures to protect itself and others from threats including cyberattacks, and manage them properly.
- All personal information of suppliers, customers, consumers, and employees, etc. shall be managed and protected appropriately in compliance with the relevant laws and regulations.
- Confidential information received not only internally but also from customers and third parties shall be properly managed and protected.

IX. Quality Control

- The company shall fulfill its responsibility as a supplier by providing products that meet safety standards set by laws and regulations in each country, and by performing designing, manufacturing, and selling operations that ensure sufficient product safety.
- The company shall comply not only with all applicable legal and industry standards applied to the quality of products and services, but also with its own quality standards and customer requirements.
- The company shall provide accurate and non-misleading information about its products and services.

<REFERENCES>

We used the following standards in preparing the Guidelines.

- ◆ RBA 8.0
https://www.responsiblebusiness.org/media/docs/RBACodeofConduct8.0_English.pdf
- ◆ JEITA Responsible Business Conduct Guidelines
<https://www.jeita.or.jp/cgi-bin/public/detail.cgi?id=788&cateid=1>
- ◆ ILO Fundamental Instruments
<https://www.ilo.org/global/standards/introduction-to-international-labour-standards/conventions-and-recommendations/lang--en/index.htm>
 - Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87)
 - Right to Organise and Collective Bargaining Convention, 1949 (No. 98)
 - Forced Labour Convention, 1930 (No. 29)
 - Abolition of Forced Labour Convention, 1957 (No. 105)
 - Minimum Age Convention, 1973 (No. 138)
 - Worst Forms of Child Labour Convention, 1999 (No. 182)
 - Equal Remuneration Convention, 1999 (No. 100)
 - Discrimination (Employment and Occupation) Convention, 1958 (No. 111)
 - Occupational Safety and Health Convention, 1981 (No. 155), and the Promotional Framework, 2006 (No. 187)
- ◆ OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict Affected and High-Risk Areas
<https://www.oecd.org/daf/inv/mne/OECD-Due-Diligence-%20Guidance-Minerals-Edition3.pdf>
- ◆ OECD Guidelines for Multinational Enterprises
<https://www.oecd.org/en/topics/responsible-business-conduct.html>
- ◆ United Nations (UN) Guiding Principles on Business and Human Rights
https://www2.ohchr.org/english/bodies/hrcouncil/docs/17session/A.HRC.17.31_en.pdf
- ◆ United Nations Universal Declaration of Human Rights

<https://www.un.org/en/about-us/universal-declaration-of-human-rights>

- ◆ United Nations Sustainable Development Goals (SDGs)

<https://www.un.org/sustainabledevelopment/sustainable-development-goals/>

- ◆ United Nations Convention Against Corruption

<https://www.unodc.org/unodc/en/treaties/CAC/>

- ◆ United Nations Convention on the Rights of the Child

<https://www.ohchr.org/en/professionalinterest/pages/crc.aspx>

- ◆ United Nations Convention on the Elimination of All Forms of Discrimination Against Women

<https://www.ohchr.org/EN/ProfessionalInterest/Pages/CEDAW.aspx>

- ◆ United Nations Global Compact

<https://www.unglobalcompact.org/what-is-gc/mission/principles>

Other Useful References:

- ◆ Dodd-Frank Wall Street Reform and Consumer Protection Act

- ◆ Eco Management & Audit System

http://ec.europa.eu/environment/emas/index_en.htm

- ◆ Ethical Trading Initiative

<http://www.ethicaltrade.org/>

- ◆ ILO Code of Practice in Safety and Health

<http://www.ilo.org/public/english/protection/safework/cops/english/download/e000013.pdf>

- ◆ ISO 14001 and related standards – Environmental management

<https://www.iso.org/iso-14001-environmental-management.html>

- ◆ ISO 45001:2018 - Occupational health and safety management systems

<https://www.iso.org/standard/63787.html>

- ◆ National Fire Protection Association

<http://www.nfpa.org/>

- ◆ Social Accountability International (SAI)

<http://www.sa-intl.org/>

- SA8000

◆ United States Federal Acquisition Regulation

<http://www.acquisition.gov/far/>

<DOCUMENT HISTORY>

December 2008	Version 1.0
August 2013	Version 2.0
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