



THK Group Supplier

CSR Procurement

Guidelines

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(Version 1)

THK CO., LTD.

Introduction

CSR (corporate social responsibility) is the principle that corporations, as part of society, are not only responsible for their own profit but also the impact their business activities have on the environment and society as a whole.

We in the THK Group endeavor to improve our long-term corporate value with our CSR policy, which is founded on our Corporate Philosophy that represents our entrepreneurial spirit, our Action Charter that serves as a guide for our actions, and the Corporate Basic Policies that we must follow as we perform our duties.

In order to promote CSR activities, we believe that our efforts as a Group alone are not enough, and action must be taken throughout the supply chain.

Therefore, we have created these guidelines that summarize those of our CSR activities that the THK Group also seeks of our suppliers. We request that you reference the contents of these guidelines and join us in actively promoting CSR.

THK Group Supplier CSR Procurement Guidelines

1. Compliance

Comply with all laws and engage in fair trade and business activities with a high sense of ethics.

1-1 Early Detection and Handling of Wrongful Acts

Maintain internal reporting and other systems in order to promptly detect and handle wrongful acts.

1-2 Protection of and Respect for Intellectual Property Rights

Take sufficient care to ensure that your company's intellectual property rights are not infringed and that you do not infringe the intellectual property rights of others.

1-3 Security Export Controls

Maintain the systems necessary to comply with security export control regulations.

1-4 Prohibition of Anti-Competitive Behavior and Abuse of a Dominant Bargaining Position

Do not engage in behaviors that impede fair, transparent, and free competition or those that cause any detriment by abusing a dominant bargaining position.

1-5 Prohibition of Corruption and Bribery

Establish highly transparent relationships with political and administrative organizations and avoid providing gifts or entertainment to public figures for the purpose of obtaining an unfair advantage.

1-6 Prohibition of Giving or Receiving Inappropriate Advantages

Do not conduct insider trading, and do not provide or receive gifts of money or entertainment far exceeding the realm of social etiquette.

1-7 Refusal of Ties with Criminal Organizations

Resolutely reject and refuse ties with criminal organizations.

2. Human Rights

Conduct business in a manner that respects the rights that allow people to live happily.

2-1 Prohibition of Inhumane Treatment

Prohibit cruelty, corporal punishment, sexual harassment, power harassment, and all other forms of inhumane treatment.

2-2 Prohibition of Forced Labor

Prohibit bonded labor, slave labor, and all other forms of forced labor, and recognize the right of employees to freely terminate their employment.

2-3 Prohibition of Child Labor, Etc.

Do not employ children under the age of 15, and do not assign duties to employees under the age of 18 that may harm their health or safety.

2-4 Prohibition of Discrimination

Provide equal opportunities and do not discriminate in terms of employment or treatment without reasonable cause.

2-5 Responsible Mineral Procurement

Carry out investigations and make efforts to promote the non-use of any conflict minerals (tantalum, tin, tungsten, and gold) that act as a source of funds for armed insurgents carrying out human rights violations in the Democratic Republic of the Congo and surrounding countries.

3. Occupational Health and Safety

Maintain a workplace environment that is comfortable and safe for employees to work in.

3-1 Dialogue with Employees

Have dialogues with employees or their representatives directly and in good faith.

3-2 Management of Work Hours

Manage employee work hours to ensure they do not exceed legal limits, and promote employee work-life balance.

3-3 Appropriate Wages

Comply with wage regulations.

3-4 Creation of a Safe and Healthy Workplace

Promote health and safety activities in the workplace and be considerate of employee health.

4. Safety and Quality of Products and Services

Develop, manufacture, and deliver products and services that are safe and reliable.

4-1 Safety and Quality of Products and Services

Provide products and services that satisfy THK Group safety and quality standards.

4-2 Quality Management

Maintain the necessary systems to promote product and service quality management.

5. Information

Thoroughly protect and manage various kinds of information and actively disclose information as required.

5-1 Information Disclosure

Appropriately disclose information in a timely manner in the event of the discovery of a legal violation that may significantly impact management and financial information or transactions.

5-2 Information Security

Maintain information security systems to appropriately protect and manage confidential, personal, and other information related to your company and other parties.

6. Environment

Maintain systems to promote environmental conservation, establish internal goals, and conduct activities to achieve those goals.

6-1 Promotion of Global Warming Countermeasures

Strive to reduce greenhouse gases and use energy in an efficient manner.

6-2 Minimizing Environmental Impact

Manage the discharge of waste water, sludge, exhaust, and waste produced from your business activities as necessary.

6-3 Promotion of Resource and Energy Conservation

Promote reducing, reusing, and recycling the resources and energy used in your business activities.

6-4 Compliance with Environmental Laws and Administrative Procedures

Understand the environmental laws related to your business activities, follow the necessary procedures, and seek to obtain the latest information.

6-5 Manage Chemicals Contained in Products

Comply with THK Group and other standards related to chemicals contained in products.

7. Business Continuity Plan

Strive to establish a business continuity plan to quickly resume operations in the event of an emergency situation such as an earthquake or another natural disaster.

8. Contributing to Local Areas and Society

Strive to actively implement initiatives that will improve relations with the local area and society.

Status Confirmation

The THK Group may inquire about the status of your CSR activities. Your cooperation is appreciated.

Point of Contact for the THK Group Supplier CSR Procurement

Guidelines

Please contact the following with any questions about the contents of these guidelines.

CSR Unit

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