

# TechnoPro Group Supplier Policy

To practice our corporate philosophy, "TechnoPro Group Purpose," through its business activities, it is essential to work toward a sustainable society throughout the entire supply chain. Basis such an idea, we have established "TechnoPro Group Supplier Policy" in order to clarify our approach to, and the matters to be complied by our suppliers for products and services.

## 1. Application and Basic Policies

- This Policy shall be applicable to legal entities that provide the TechnoPro Group with products and services (hereinafter referred to as "Suppliers").
- Based on this Policy, the TechnoPro Group shall strive to build a sustainable and co-creative relationship with its Suppliers based on trust and cooperation, which leads to mutual value improvement. Furthermore, the TechnoPro Group shall pursue sustainability of the products and services provided by Suppliers, as well as fulfilling its social responsibility.
- The TechnoPro Group shall make decisions on supplier selection, based on comprehensive evaluation criteria in terms of compliance, environment, and respect for human rights, in addition to product and service quality, price, delivery time, technological capabilities, supply capabilities, and other factors.

## 2. Requirements for Suppliers

- The TechnoPro Group shall request Suppliers to understand and cooperate to comply with the following items. Furthermore, the TechnoPro Group requests that Suppliers encourage their directors, officers, employees, consultants, staff, workers, as well as their own business partners in their supply chains, to actively comply with the following items.

### 1) Compliance

#### **Rigorous Compliance**

-Maintain compliance with relevant laws and regulations inside (only applicable to Suppliers having business presence in Japan) and outside Japan, strive to understand international rules, practices, and guidelines, and conduct business activities in a sincere and sensible manner in accordance with legal and social norms.

#### **Fair Competition**

-Comply with laws and regulations inside and outside Japan that stipulate fair and free trade. Do not engage in unreasonable restraints on trade including private monopolies and cartels, price fixing, activities that impede free competition, abuse of a superior position by exploiting trading relationships, or other unfair trade practices in violation of applicable antitrust and competition laws.

#### **Prevention of Corruption and Crime**

-Comply with the relevant anti-corruption laws. Do not be involved in any acts of corruption or crime, including fraud, money laundering, illicit business transactions, or terrorism, and implement sufficient monitoring and enforcement procedures not to be exploited for such acts in violation of applicable anti-corruption laws.

**Prohibition of Bribery**

-Comply with the relevant anti-bribery laws. Do not provide, offer, promise, demand, or accept any money or other benefits, directly or indirectly, to or from anyone including government officials, customers for the purpose of obtaining any improper business advantage, or influencing business decisions, whether inside or outside Japan.

**Gifts and Hospitality**

-Only offer or accept gifts or hospitality to persons or entities having business relations with the Supplier, in the normal course of business. Such gifts or hospitality should not be inappropriate, frequent, or of substantial value.

**Exclusion of Antisocial Forces**

-Reject any requests from antisocial forces or those who are suspected as antisocial forces and ensure to have no relationship whatsoever with these.

**Rigorous Information Management**

-Ensure strict management of confidential information, specific personal information, and other personal information on the Supplier, its customers, its business partners, and other parties in accordance with the relevant laws, regulations and internal rules inside and outside Japan, to ensure data protection while processing, and prevent leakage, outflow, unauthorized removal, or inappropriate use, by establishing standards and policies to be observed by the employees, and any third party that may gain access to such confidential information in the course of business.

-Develop standards and policies for employees to follow regarding information security, and ensure compliance with internal rules. Strive towards proper use of the Supplier's various information technology, networks, recording media, and other resources, and safeguarding critical & sensitive information and information systems handled by Suppliers. Take appropriate measures to prevent unauthorized access or intrusion from external sources.

**Intellectual Property**

-Supplier shall comply with all applicable intellectual property rights and laws. Supplier shall only use intellectual property that it has acquired or licensed legitimately and shall use them only in accordance with the terms of such licenses. Supplier shall not infringe the intellectual property rights of any third parties.

**2) Respect for Human Rights****Prohibition of Discrimination**

-Do not engage in discrimination for any reason, including but not limited to nationality, race, colour, age, place of birth, occupation, gender, sexual orientation, gender identity, marital status, ideology, creed, religion, disability, social status, family origin, or any other criteria provided under relevant law.

**Prohibition of Harassment**

-Comply with relevant laws prohibiting any form of harassment including sexual harassment, and shall not commit any act of harassment, slander or libel based on gender or status. Suppliers shall take appropriate initiatives to ensure a harassment-free workplace.

**Prohibition of Forced Labor and Child Labor**

-Prohibit and shall not engage in forced labor, bonded labor, or labor using slavery, or human trafficking, and child labor.

**Respect for Freedom of Association and the Right to Collective Bargaining**

-Respect the right of employees to form labor unions of their own free will and to choose to participate or not participate, in accordance with relevant laws. Allow for the exercise of rights to collective bargaining.

**Appropriate Wages and Work Hour Management**

-Comply with laws and regulations applicable to compensation (including minimum wage, overtime pay, and legally mandated benefits and wage deductions). Give consideration to the payment of a living wage.

-Comply with applicable laws and regulations to manage working hours and holidays appropriately. Promote work-life balance for employees.

**Ensuring Employee Safety, Hygiene and Health**

-Provide employees with comfortable working environments in consideration of the physical and mental health and safety in compliance with all applicable laws and regulations.

**3) Environmental Issues**

**Climate Change**

-Strive to reduce greenhouse gas emissions and mitigate the negative impacts of climate change.

**Sustainable Resource Usage**

-Strive to engage in efficient energy usage, waste reduction, and the creation of recycling-oriented societies.

**Pollution Prevention and Environmental Conservation**

-Strive to conduct the appropriate treatment of pollutants and hazardous waste, consider the natural environment, and preserve biodiversity.

**Water Resources**

-Strive to reduce water consumption, promote efficient use and conservation of water resources.

**4) Product and Service Delivery System**

**Ensuring Quality and Safety**

-Ensure that the products and services meet the safety standards set forth by the laws and regulations of each country as may be applicable to the Supplier and strive to provide accurate information and to thoroughly control quality.

**Business Continuity Plan**

-Strive to establish a business continuity plan to ensure the prompt restoration of core critical operations in the event of unforeseen circumstances such as any disaster (e.g., fire, flood, earthquake, etc.) or work stoppage of any kind (e.g., labor strike, economic/social structure breakdown, etc.), aiming at stable supply of products and services.

**3. The TechnoPro Group Initiatives**

- **Promotion and Support for Understanding**

-The TechnoPro Group shall communicate the Supplier Policy to new Suppliers and incumbent Suppliers, strive to obtain their understanding and cooperation, and engage faithfully in sustainability initiatives together with Suppliers.

-The TechnoPro Group will also conduct support activities such as providing Suppliers with training on sustainability, including human rights and the environment, as needed.

- **Monitoring**

-The TechnoPro Group shall conduct periodic reviews of Suppliers to assess their compliance with this Policy.

-The TechnoPro Group may conduct additional investigations, such as visits or requests for information, as necessary, to verify the status of the Suppliers' activities.

- **Corrective Guidance**

-If Supplier is found to be non-compliant with this Policy, leading to the occurrence of negative impacts on human rights and / or the environment, etc., the TechnoPro Group shall request the Supplier for corrective actions and provide corrective guidance to such Supplier.

-If the Supplier does not implement appropriate measures for improvement despite repeated corrective guidance, or continues significant deviations from this Policy, the TechnoPro Group may take actions including review of the business relationships with the Supplier.

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