

TRS CSR Procurement Guideline



TOKYO RADIATOR MFG. CO.,LTD.

Purchasing Division

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1. Introduction

TRS group's corporate philosophy is to "create new values based on respect for humanity and contribute to creation of an earth-friendly society as a trusted company" and our corporate vision is to become a company that continues to grow together with all stakeholders". We will contribute to creation of a sustainable society through manufacturing that takes into consideration protection of global environment at all stages of our corporate activities. In recent years, business environment has undergone drastic changes due to increasing severity of global environmental pollution, globalization of business activities and social conditions. Until now, all employees have been involved in CSR activities to various social issues, but we recognize that it is more important to carry out CSR activities together with our business partners in the future.

Our business partners are expected to understand and utilize this guideline, and deploy and promote within your business partners.

November 2023.

TOKYO RADIATOR MFG. CO.,LTD.

Purchasing Division Director

2. Basic Purchasing Policy

At TOKYO RADIATOR, we aim to manufacture attractive products under “quality and reliability” as our themes.

We are looking for partners widely both domestically and internationally.

◆ Fair and impartial optimal procurement activities

As a global company, we are looking for business partners widely both domestically and internationally. Rather than evaluating based on company size or transaction history, we will optimize procurement based on the principles of proper competition.

◆ Mutual development based on mutual trust

We want to have a relationship with our business partners that ensures mutual benefit through business transactions and allows us to develop together as equal partners.

◆ Legal compliance and confidentiality

Our basic policy is to comply with the law, and we will not disclose any confidential information obtained through transactions to outside parties.

◆ Selection of business partners

We comprehensively consider Q(quality), C(cost), D(delivery), D(development), as well as management attitude and structure. We will strengthen collaboration between domestic and overseas bases and affiliated companies to select optimal business partners.

3. CSR Procurement Guideline

1) Compliance

Compliance with laws and regulations

Comply with the laws and regulations of each country and region. Develop and implement policies, systems, behaviour guidelines, reporting systems, training and other mechanisms to ensure compliance.

Compliance with competition law

Comply with the competition laws of each country and region, and don't engage in acts such as private monopolization, unfair trade restrictions (cartels, bid rigging, etc.), unfair trade methods, or abuse of a dominant position.

Anti-corruption

Make political contributions and donations in accordance with the laws and regulations of each country and region, and endeavor to build transparent and fair relationships with politics and government. We will not provide entertainment, gifts, or give or receive money to business partners for the purpose of obtaining or maintaining unfair profits or preferential treatment.

Management and protection of confidential information

Obtain personal information of customers, third parties, and own employees, as well as confidential information of customers and third parties, through legitimate methods, strictly manage it, use it within an appropriate scope, and protect it.

Export transaction management

Carry out appropriate export procedures and controls regarding the export of technologies and goods that are regulated by the laws and regulations of each country and region.

Intellectual property protection

Protect intellectual property rights owned by or belonging to the company and don't illegally obtain or use third-party intellectual property or infringe on its rights.

Responsible mineral procurement

Conduct due diligence regarding conflict minerals and comply with laws related to responsible mineral procurement. Check to see if the mineral resources contained in materials and components have any negative social impact from the perspective of human rights or the environment. If negative impact is expected or confirmed, we promote methods that don't use those mineral resources.

Elimination of anti-social forces

In compliance with Japanese government guidelines and Organized Crime Elimination Ordinance, everyone from management to employees will eliminate anti-social forces and resolutely cut off any relationships with them.

2) Safety and Quality

Provide products that meet customer needs

Develop and provide (※)socially useful products by understanding needs of consumers and customers.

(※)Socially useful products: Products that are easy to use for everyone, regardless of age, gender, disability, etc. Or earth-friendly products such as energy-saving, resource-saving and environmental protection.

Provide appropriate information on products and services

Provide consumers and customers with appropriate information on products and services.

Ensuring product safety

Produce and provide products and services that comply with the safety laws and regulations set out in each country and region.

Ensuring product quality

Establish and operate a company-wide system to ensure quality.

3) Human Rights and Labour

Human rights

Don't discriminate on the grounds of race, nationality, gender, religion, disability, age, origin or other grounds in any employment situation (recruitment, hiring, promotion, pay, dismissal, retirement, work assignment, disciplinary action, etc.) and don't tolerate harassment in any form or degree in the workplace. Immediately report and investigate complaints of harassment. Also ensure that employees can report any instances of harassment without fear of reprisal, intimidation or harassment.

Prohibition of child labor

Don't allow minors under the working age according to the laws and regulations of each country or region to work.

Prohibition of forced labour

Ensure that all work is voluntary and that employees are free to leave their jobs; no forced labour. Don't require employees to hand over passports, official identity documents or work permits as a condition of employment. Don't charge the individual any costs that would be deemed unreasonable under international norms, such as recruitment fees.

Wages

Comply with national and regional laws and regulations on minimum wages, overtime, wage deductions, piece-rate wages and other benefits.

Working hours

Comply with the laws and regulations of each country and region regarding the determination of employee working hours (including overtime), holidays, annual paid holiday, and other matters.

Safe and healthy working environment

Prioritize occupational safety and health of our employees and do our best to prevent accidents and occupational injuries.

4) Environment

Environmental management

Comply with the laws and regulations of each country and region and endeavor to comply with any future changes to such laws and regulations. In order to promote a wide range of environmental activities, have established a company-wide management system and continuously operate and improve.

Reduction of greenhouse gas emissions

Comply with the laws and regulations of each country and region and endeavor to comply with any future changes to such laws and regulations. To contribute to prevention of global warming, manage greenhouse gas emissions in business activities and promote reduction activities. Make effective use of energy.

Prevention of air, water, soil and other environmental pollution

Comply with the laws and regulations of each country and region relating to prevention of pollution of air, water, soil, etc., and endeavor to comply with any future changes in such laws and regulations. Prevent environmental pollution through continuous monitoring and reduction of pollutants.

Resource saving and waste reduction

Comply with the laws and regulations of each country and region concerning the proper disposal and recycling of waste. We will work to reduce the final disposal of waste through the effective use of resources and endeavor to reduce water consumption.

Chemical substance management

Comply with the laws and regulations of each country and region and endeavor to comply with future changes in laws and regulations. Chemical substances, etc. with the potential to pollute environment are identified and managed safely. Chemical substances prohibited by the laws and regulations of the respective countries and regions are not contained in our products.

In manufacturing process, prohibited chemical substances are not used, and emissions of chemical substances designated by the laws and regulations of each country and region are monitored and reported to relevant authorities.

Ecosystem protection

Endeavor to protect ecosystem in business activities and parts manufacturing, including raw material procurement.

5) Business Continuity Plan (BCP)

Response for Business continuity plan (BCP)

In the event of an unforeseen emergency such as a disaster that disrupts procurement activities, endeavor to establish a system that enables to quickly obtain information on the extent of damage and impact on business partners and take necessary measures. Ascertain the current locations of secondary and tertiary business partners and collaborate with business partners to ensure prompt resumption of operations in the event of a disaster.

6) Information Disclosure

Disclosure of information to stakeholders.

Disclose information on financial situation, business performance and business activities to stakeholders in a timely and appropriate manner, and endeavor to maintain and develop mutual understanding and trust with them through open and fair communication.

7) Social Contribution

Contribution to local (community) and society

Continue activities to create a better future society including activities in the communities in which we intend to operate.

4. To All Business Partners

Deployment and promotion to your business partners

We would like you to understand and agree with TRS's approach to human rights, environment and other CSR procurement initiatives through this guideline.

We would also like to request business partners to deploy and actively promote this guideline to your business partners, contractors and other members of your supply chain.

Measures to be taken when guidelines are violated

If problem that violates this guideline occurs, please report it immediately, investigate the cause, and submit measures to prevent recurrence. In unlikely event that appropriate remedial action is not taken, we may temporarily suspend the issuance of new requests for quotations.

CSR Procurement Guideline Consent Confirmation Form

Please have this form signed by responsible person (person in charge of your division) to confirm company's consent concerning the contents of this guideline. By signing this confirmation, we confirm that you agree to promote the contents of this guideline with regard to all products, parts and materials delivered to us.

Business partner code :

Name of Company :

**Name of Responsible Person
(handwritten name or printed name with personal seal) :**

Date :

Signer position :

Name of Relevant Department :

Person in charge of this case :

TEL :

E-mail :