



Meiden Group Guidelines for Sustainable Procurement

July 2022

Meidensha Corporation
Procurement Group

Introduction

In recent years, the social environment surrounding corporations has been facing major changes, such as the effects of climate change that has been accelerating since the industrial revolution, digitalization brought about by technological innovations, and diversification of people's values and lifestyles.

Amid such social changes, we have newly depicted the social situation that Meidensha is aiming for and established a vision of *working to build a new society through integrity toward the earth, society, and people and through the power of co-creation* as the corporate form that we at the Meiden Group aspire to be.

In order to more specifically express that ideal form of the Meiden Group, we established the term "Sustainability Partner." Sustainability Partner includes two roles that the Meiden Group should carry out in order to realize people's happiness and a sustainable global environment.

The first role is a partner as a member of a society that will bring about a sustainable Earth's environment. The other role indicates the role of a partner that provides guidance for sustainability for the various stakeholders, such as employees, shareholders, investors, and customers.

Providing roles as a Sustainability Partner that combines these two aspects to parties throughout the world through our business activities will lead to the realization of the society for which we are aiming.

For materials procurement, we have presented a Basic Procurement Policy and a Guidebook for the Promotion of Supply Chain CSR to transaction partners that are Sustainability Partners, and we requested cooperation thus far as well; however, based on recent international social demands, we have made significant revisions and newly issued the Meiden Group Guidelines for Sustainable Procurement.

We ask that you please promote proactive and responsible corporate activities throughout the entire supply chain by sufficiently understanding and complying with these Meiden Group Guidelines for Sustainable Procurement and conducting thorough information provision, management, and supervision for your related suppliers as well.

If a significant deviation from the Code of Conduct or Creation of a Management System is recognized in a transaction partner, we take corrective measures, and if improvements cannot be seen even after a grace period, or if a serious violation of a law, ordinance, or ethics can be recognized, we follow a policy of stopping transactions.

In some cases, we may request disclosure concerning the state of activities at transaction partners. If such a request is made, we request that you please provide cooperation.

July 2022

Procurement Group, Meidensha Corporation

*These guidelines were created by referring to the *Responsible Business Conduct Guidelines* (March 2020 edition) of the Japan Electronics and Information Technology Industries Association (JEITA).

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1. The Meiden Group's policies

A. The Meiden Group's company-wide policies

A-1. The Meiden Group identity (corporate philosophy)

Corporate Mission: Illuminating a more affluent tomorrow

We continue to create value and technologies for the realization of a more affluent and environmentally aware society.

Value Provision: For customer peace of mind and satisfaction

We offer complete environmental consideration and appropriate support for our customers. From product design to commissioning, our highly skilled staff help customers solve various issues and realize their dreams by providing high-quality, socially responsible products and services.

*For information about our corporate philosophy, please refer to the site below.

https://www.meidensha.com/corporate/corp_03/index.html

A-2. The Meiden Group Corporate Code of Conduct

1. For realization of a sustainable society

We proactively and resolutely take on the challenges of creating new value through integrity toward the earth, society, and people and through the power of co-creation, and we contribute to the realization of a sustainable society.

2. Sincere and fair business activities

We sufficiently understand the laws, regulations, customs, and all other social norms, as well as the spirit of such stipulations, of the countries and regions in which we conduct business activities, we comply with and respect such matters, and we always act with highest levels of corporate ethics and social decency.

3. Respect for human rights

We understand and support the various international norms concerning human rights and comply with the laws and regulations of each country and region and thereby respect all people's human rights.

4. Realization of a workplace environment in which employees can exert their abilities to the fullest extent

We support employees' growth and promote creation of a workplace in which a diverse range of talented people can actively participate.

5. Environmental conservation

For the purpose of the realization of a sustainable society, we undertake sustainability management and aim for corporate development for such tasks as mitigation of climate change, adaptation to climate change, recycling of resources, and conservation of biological diversity.

6. Cooperation with and contribution to society

As a member of the international society and as a member of the local society, we respect the culture and customs of the international society and the local society from a global perspective and promote business activities while striving for cooperation and harmony in the respective regions.

7. Management of information

We appropriately manage all of the information assets that we handle through business activities, and we protect those information assets from such threats as disasters, accidents, and crimes.

8. Proper disclosure of information

We follow the rules of laws and regulations and disclose corporate information appropriately and in a timely manner.

9. Risk management

We ascertain and assess all types of risks associated with business activities and build a company-wide and cross-sectional system for appropriately controlling those risks.

10. Responsibilities of top management

Top management is aware of the fact that realization of the spirit of this code of conduct is top management's role, and it conducts the maximum efforts so that effective governance will be formulated within companies and in group companies and so that business operations will be conducted based on this code of conduct.

If a situation that may be in violation of this code of conduct arises, top management will take the lead in striving to resolve the problem and prevent recurrences and will carry out its responsibilities.

*For information about the Corporate Code of Conduct, please refer to the site below.

https://www.meidensha.com/corporate/corp_03/corp_03_01/index.html

A-3. The Meiden Group's human rights policy

1. Putting respect for human rights into practice

The Meiden Group respects the various international norms related to human rights; understands that there is a possibility of having direct or indirect effects through our business activities on the human rights of people related to our research and development, materials procurement, manufacturing, use of products and services, the value chain that includes disposal, and local society; and strives to prevent, mitigate, and avoid fostering of adverse effects on human rights. If adverse effects on human rights arise in our business activities, we handle them appropriately for the purpose of correction.

2. Scope of application of the Meiden Group's Human Rights Policy

The Meiden Group's Human Rights Policy applies to all of the board members who work for the Meiden Group and to all employees, including semi-regular employees, part-time workers, contract employees, and dispatched employees.

We also have all of our business partners and transaction partners understand and support this policy, we continuously ask them to adopt similar policies, and we thereby cooperate to promote respect for human rights.

3. Continuous implementation of due diligence for human rights

By continuously implementing due diligence for human rights, we will regularly assess adverse effects on human rights that arise in the Meiden Group's business activities and identify notable human rights issues. We will also promote initiatives to prevent and mitigate such adverse effects.

4. Relief and correction

If it becomes clear that adverse effects on human rights have been caused or fostered because of the Meiden Group's business activities, we implement the appropriate relief measures for the people who incurred those effects.

5. Dialogues and discussion with stakeholders

The Meiden Group conducts dialogs and discussions with related stakeholders concerning human rights issues related to potential or apparent adverse effects on human rights and thereby deepens initiatives for respect for human rights.

6. Information disclosure

The Meiden Group discloses our initiatives for respect for human rights and the state of implementation of due diligence for human rights through our website and annual reports.

7. Cultivation and permeation of awareness about respect for human rights

The Meiden Group provides board members and all employees, including semi-regular employees, part-time workers, contract employees, and dispatched employees, with the education and training that is necessary for practicing respect for human rights, so that this policy will permeate and become established in all corporate activities, and implements initiatives for activities for understanding and permeation by transaction partners.

*For information about the human rights policy, please refer to the site below.

<https://meidensha.disclosure.site/ja/themes/96>

A-4. The Meiden Group's information disclosure policy

1. Basic approach

To ensure that our corporate activities are transparent, and that stakeholders such as our customers, our shareholders, investors, and local communities have a correct understanding of and confidence in our business, Meidensha (hereafter "the Company") and its group (hereafter "Meiden Group") disclose their corporate overview at appropriate times in accordance with a pre-established set of rules.

To forge good relationships of trust with our shareholders and investors in particular, we implement communication measures based on voluntary disclosure of information.

2. Criteria for information disclosure

- (1) We disclose information as promptly as possible in accordance with the Financial Instruments and Exchange Law and other relevant laws and regulations (hereafter "Laws and Regulations") and "Rules on Timely Disclosure of Corporate Information by Issuers of Listed Securities" (hereafter "Timely Disclosure Rules") set by the Tokyo Stock Exchange, etc. With regard to information that cannot be disclosed for reasons of our

business operation, we clarify why disclosure is not possible.

- (2) Even when Laws and Regulations do not apply to particular information, and/or the information does not meet the criteria for disclosure stated in the Timely Disclosure Rules, we actively and fairly disclose the information if it may help our shareholders and investors gain a better understanding of the Company and the Meiden Group.

3. How we disclose our information

- (1) We disclose information that meets the criteria for disclosure specified in the Timely Disclosure Rules, and information that is deemed to be helpful for our shareholders and investors, via the timely disclosure information system provided by the Tokyo Stock Exchange.
- (2) We actively disclose any information other than that stated above as necessary depending on its content via press releases, briefing sessions, press conferences, and by other appropriate means if the information may help us improve understanding of the Company.
- (3) Information that has been disclosed based on (1) and (2) above is promptly published on the Company's website.

4. Silent period

To prevent any leakage of information about the Company's account settlement, and to ensure fairness, we observe a silent period between the account closing date and the date of announcement of our financial results. During this period, we do not make any comments or reply to any inquiries concerning the account settlement.

5. Prevention of insider trading

As soon as company overview is made public by any of the following means, the action of official announcement defined by the insider trading regulations is completed:

- (1) As soon as 12 hours have passed since the information is made available to two or more news media
- (2) As soon as the information is published on the information disclosure system provided by the Tokyo Stock Exchange

6. About future forecasts (disclaimer)

Information that the Company discloses may include not only earnings forecasts to be published in the Financial Result, but also descriptions about future outlooks, including earnings forecasts, planning, and business strategies. In all cases, except those concerning facts in the past, the descriptions are forecasts that the Company has made based on information available at that time, and thus they involve potential risks and uncertainty. Hence, please note that our actual performance may differ significantly from the described future outlooks.

A-5. The Meiden Group's environmental policy

1. Basic environmental philosophy

In the Meiden Group, we have the corporate philosophies of *illuminating a more affluent tomorrow* and *for customer peace of mind and satisfaction*, and with the aim of realizing a sustainable society, we are undertaking ESG management and

aiming for corporate development with the tasks of mitigation of climate change, adaptation to climate change, recycling of resources, and conservation of biological diversity.

2. Environmental action guidelines

- (1) We promote the development of new products and new technologies that can contribute to the earth's environment and will also assess the effects on the environment throughout the entire life cycle from the procurement of materials up to disposal and strive to develop and design environmentally friendly products.
- (2) We reduce the environmental burdens associated with domestic and foreign business activities and strive to reduce greenhouse gas emissions, promote the 3Rs, and curtail discharges of hazardous substances.
- (3) We obey laws and regulations related to the environment and other requirements and set voluntary standards and strive to prevent pollution and protect the environment.
- (4) We establish a system for ESG management, go through the PDCA cycle of planning (Plan), implementation and operation (Do), inspection and review (Check), and improvement (Act), make continuous improvements, and strive to improve environmental performance.
- (5) Through environmental education, we strive to deepen all employees' understanding of ESG management and invigorate environmental contribution activities.

B. The Meiden Group's procurement policies

B-1. Basic procurement policy

In procurement transactions, the Meiden Group Corporate Code of Conduct will be the basis for all actions.

Proactive promotion of responsible corporate actions

- (1) Together with our transaction partners, we realize a philosophy for our procurement policy and build a sustainable supply chain.
- (2) We promote environmentally friendly procurement activities and, together with our transaction partners, we contribute to the conservation of the earth's environment.
- (3) We exclude use of conflict minerals that serve as sources of funds for armed forces that repeat inhumane actions, such as human trafficking, forced labor, child labor, and abuse.

B-2. Green procurement policy

In order to realize the Company's basic environmental philosophy, we want to promote environmentally friendly procurement activities in materials procurement as well based on the Green Procurement Standards, which were formulated as environmental action guidelines for use in the supply chain, and contribute to conservation of the earth's environment together with our procurement partners.

- (1) Creation of an environmental management system
- (2) Ascertainment of the amount of greenhouse gas emissions and reduction of emissions
- (3) Creation of a system for management of chemical substances contained in products
- (4) Promotion of resource recycling
- (5) Mitigation of water risks

- (6) Consideration for biological diversity
- (7) Management of chemical substances

*For information about green procurement, please refer to the site below.

https://www.meidensha.co.jp/procure/proc_02/index.html

B-3. Policy for responsible mineral procurement

In conflict areas and high-risk regions, we will conduct responsible procurement activities in order to avoid procurement of parts and materials that include conflict minerals (tin, tantalum, tungsten, and gold) and minerals, such as cobalt, which have the possibility of being involved in the support of armed groups, child labor or other infringements of human rights, corrupt actions, and environmental destruction.

We will ask our procurement partners to utilize internationally recognized tools, such as the Conflict Minerals Reporting Template (CMRT) provided by the RMI (Responsible Minerals Initiative), conduct investigations related to the supply chain, such as identification of minerals' country of origin and refiners, and to simultaneously conduct procurement from smelters that are compatible with the RMAP (Responsible Minerals Assurance Process).

*For information about our policy for handling conflict minerals, please refer to the site below.

https://www.meidensha.co.jp/procure/proc_09/index.html

2. Code of Conduct for the Meiden Group's procurement partners

Part 1: Code of Conduct

1. Compliance with laws and regulations, and respect for international norms

It is necessary for your company to not only comply with applicable laws and regulations in your own country and the countries and regions in which you conduct business but to also respect the international code of conduct.

2. Human rights and labor

It is necessary for your company to not only comply with related laws and regulations but to also refer to international human rights standards, including the ILO Core Labor Standards, the Guiding Principles on Business and Human Rights created by the United Nations, and the Guidelines for Multinational Enterprises created by the Organization for Economic Co-operation and Development (OECD), and to respect workers' human rights.

(2-1) Prohibition of forced labor

Your company must not use a work force that has been obtained by coercion, constraint, inhumane prison labor, a slavery system, or human trafficking. Work that is conducted in an exploitative manner under unfair treatment by using a superior bargaining position will also not be permitted.

In addition, it is necessary for your company to not coerce any work and to protect the right for workers to resign or end employment themselves.

(2-2) Prohibition of child labor, and consideration for young workers

Your company must not allow children younger than the minimum working age to work. In addition, your company must not allow young workers who are under 18 years old to conduct dangerous work that has a possibility of harming their health or safety, such as night shifts or overtime work.

(2-3) Consideration for work hours

Your company must not have workers conduct work in excess of the limit stipulated under the laws and regulations of the region in which the workers work, and it is necessary for your company to appropriately manage workers' work hours and days off based on the consideration of international standards.

(2-4) Appropriate wages and allowances

It is necessary for your company to comply with all laws and regulations that apply to remuneration (including minimum wage, overtime pay, and legally obligated allowances, and wage deductions) that will be paid to workers.

In addition, it is desirable to consider payment of wages at a level by which it is possible to cover the items that are necessary for daily life (living wages).

(2-5) Prohibition of inhumane handling

Your company must respect workers' human rights and must not conduct inhumane handling, such as mental or physical abuse, coercion, or harassment, or actions that have a possibility of being such inhumane handling, of workers. In addition, your company must clearly define a disciplinary policy and procedures that correspond to these requirements and convey that policy and those procedures to workers.

(2-6) Prohibition of discrimination

In hiring and practical matters for hiring or employment, such as wages, promotion, remuneration, and opportunities for education and training, your company must not engage in discrimination or harassment based on race, skin color, age, gender, sexual orientation, gender identity and gender expression, ethnicity or nationality, existence or nonexistence of a disability, pregnancy, religion, political party affiliation, union affiliation, existence or nonexistence of military service experience, protected genetic information, or existence or nonexistence of a spouse.

In addition, it is necessary to give consideration within an appropriate scope to workers' requests related to religious customs.

(2-7) Freedom of association, and collective bargaining rights

It is necessary for your company to respect workers' rights to organize (right to form and participate in a labor union, conduct collective bargaining, and participate in peaceful assembly) as a means of realizing discussions between labor and management about the work environment and wage levels in compliance with local laws and regulations.

3. Safety and health

It is necessary for your company to not only obey related laws and regulations but to also keep in mind and follow the ILO's safety and health guidelines and stipulate safety and health policies and objectives and the people responsible for those matters, minimize workers' injuries and physical and mental illnesses associated with work, and implement initiatives to prepare a safe and healthy work environment.

(3-1) Occupational safety

It is necessary for your company to identify and assess the risks for occupational safety and to ensure safety by using appropriate designs and technological and management means.

Reasonable consideration for pregnant women and mothers who are in a nursing period is particularly necessary.

(3-2) Preparation for times of emergency

It is necessary for your company to prepare for emergency situations, such as disasters and accidents that will harm the safety of people's lives or bodies, identify such situations, including the possibility of occurrence, create action procedures for times of emergency measures that will minimize damage to workers and property, install the necessary equipment, and provide education and training so that the relevant actions will be taken in times of disaster.

(3-3) Occupational accidents and occupational illnesses

It is necessary for your company to identify, assess, record, and report the situation of occupational accidents and occupational illnesses and implement the appropriate countermeasures and corrective measures.

(3-4) Industrial health

It is necessary for your company to identify and assess the risks of workers being exposed to harmful biological, chemical, or physical effects in the workplace and conduct appropriate management.

(3-5) Consideration for work that has physical burdens

It is necessary for your company to identify and assess work that has physical burdens and to appropriately conduct management so that such work will not lead to occupational accidents or occupational illnesses.

(3-6) Safety measures for machinery and equipment

It is necessary for your company to conduct assessment of whether or not there are safety-related risks for machinery and equipment that workers use for their duties and implement appropriate safety measures.

(3-7) Safety and health for facilities

It is necessary for your company to appropriately ensure safety and health for facilities (dormitories, cafeterias, and restrooms) that are provided for workers' daily lives. In dormitories, it is necessary to ensure appropriate emergency exits for times of emergency.

(3-8) Communication for safety and health

It is necessary for your company to provide, by using language and methods that workers can understand, education and training about appropriate safety and health information concerning various duty-related dangers for which there is a possibility that workers will suffer. In addition, a mechanism for providing feedback of workers' opinions related to safety is necessary.

(3-9) Health management for workers

It is necessary for your company to conduct appropriate health management for all employees.

4. The environment

It is necessary for your company to proactively implement initiatives for global environmental problems of the depletion of resources, climate change, and environmental pollution and give consideration to local environmental problems by taking care to ensure the health and safety of the people of related regions. For information about the Meiden Group's ways of thinking about environmental policies, please also read A-5 "The Meiden Group's environmental policy."

(4-1) Environmental permission and reports

It is necessary for your company to follow the laws and regulations of the location of business, obtain the permission and approval that is necessary for business, and conduct registration and reports.

(4-2) Energy consumption, and reduction of greenhouse gas emissions

It is necessary for your company to strive to improve energy efficiency and conduct continuous reduction activities for amounts of energy consumption and for amounts of greenhouse gas emissions throughout the entire life cycle.

(4-3) Discharge into the atmosphere

It is necessary for your company to comply with related laws and regulations and implement appropriate measures for curtailing the discharge of harmful substances into the atmosphere.

(4-4) Management of water

It is necessary for your company to comply with laws and regulations, monitor water sources, use, and discharge of water that is used, and save water.

For all kinds of wastewater, it is necessary to present its characteristics as necessary and to conduct monitoring, control, and treatment before conducting discharge or disposal. In addition, it is necessary to identify sources of pollution that have a possibility of causing occurrence of water pollution and to conduct appropriate management.

(4-5) Effective utilization of resources, and management of waste

It is necessary for your company to comply with laws and regulations and conduct appropriate management, and thereby promote reduction, reuse, and recycling, strive for effective utilization of resources, and minimize generation of waste.

(4-6) Management of chemical substances

It is necessary for your company to comply with laws and regulations, identify, indicate, and manage chemical substances and other substances that will create danger to people's bodies or the environment, and conduct management so that safe handling, movement, saving, use, recycling/reuse, and disposal will be reliably conducted.

(4-7) Management of chemical substances contained in products

It is necessary for your company to comply with customer demands and with all laws and regulations that will be applied in relation to prohibition of use or restriction of specific substances that are included in products.

5. Fair transactions and ethics

It is necessary for your company to not only comply with laws and regulations, but to also conduct business activities based on a high-level sense of ethics. It is necessary for top management itself to serve as a model, for all employees to perform business with a high sense of ethics, and for your company to obtain all stakeholders' trust.

(5-1) Prevention of corruption

Your company must comply with each country's and each region's laws for preventing corrupt actions and must not conduct any type of bribery, corruption, blackmail, or embezzlement.

(5-2) Prohibition of giving and receiving inappropriate profits

Your company must not provide or accept promises, offers, or permission as means for obtaining bribes or other unjust or inappropriate profits. For information about the Meiden Group's ways of thinking about prevention of corruption, please also read the Guidelines for the Prevention of Bribery.

*The Meiden Group's Guidelines for Prevention of Bribery
<https://meidensha.disclosure.site/ja/themes/104>

(5-3) Prevention of money laundering

It is necessary for your company to prepare initiatives and internal control for the purpose of preventing involvement in criminal actions, such as corruption through money laundering, accounting fraud, or provision of funds for terrorism.

(5-4) Appropriate information disclosure

It is necessary for your company to follow applicable laws and regulations and the industry's customary practices to disclose information related to labor, safety, health, environmental activities, business activities, organizational structure, financial situation, and business performance. Falsification of records or disclosure of false information will not be allowed.

(5-5) Respect for intellectual property

It is necessary for your company to respect intellectual property rights and to conduct transfers of technology or knowhow in a form in which intellectual property is protected. It is also necessary to protect the intellectual property of third parties such as customers and suppliers.

(5-6) Fair performance of business

It is necessary for your company to comply with the competition laws of each country and region and conduct fair business, competition, and advertisement, and unfair transactions and actions, such as abuse of a superior bargaining position are prohibited.

It is also necessary to block all relationships with antisocial forces or groups that cause threats to the order or safety of civil society and to strive to not allow anti-social forces to obtain unjust profits.

(5-7) Protection of whistleblowers

It is necessary for your company to protect the anonymity of whistleblowers and confidentiality concerning information related to reports and to eliminate retaliation against whistleblowers.

(5-8) Responsible mineral procurement

It is necessary for your company to follow the OECD Due Diligence Guidance to confirm whether or not tantalum, tin, tungsten, gold, and minerals, such as cobalt and mica that are included in the products that your company is manufacturing will cause, or are helping, serious human rights infringement, environmental destruction, corruption, or disputes in conflict areas or high-risk regions. For information about the Meiden Group's ways of thinking about responsible mineral procurement, please also read B-3 "Policy for responsible mineral procurement."

6. Quality and safety

It is necessary for your company to ensure the safety and quality of the products and services that are provided and provide accurate information.

Inaccurate information related to safety and quality of products and services has a possibility of having an enormous effect, through the supply chain, on not only customers but also on the various stakeholders.

For that reason, it is necessary to create and operate a quality management system and thereby conduct continuous improvement while going through the PDCA (Plan, Do, Check, Act) cycle and ensure the safety and quality of products and services.

(6-1) Ensuring products' safety

It is necessary for your company to conduct designing, manufacturing, and selling by which it is possible to ensure sufficient product safety and for products to fulfill the safety standards stipulated by the laws and regulations of each country and region, as well as to carry out your responsibilities as a supplier.

In other words, when conducting product design, it is necessary to use design that makes it possible to ensure sufficient product safety and conduct sales by considering responsibilities as a manufacturer. In addition, in relation to product safety, compliance with laws and regulations is of course necessary, and it is also necessary to consider the safety that should ordinarily be possessed.

For ensuring products' safety, management of traceability (the history of materials, parts, and processes), and prompt handling aimed at problem resolution are useful.

When a change has arisen from the content that was agreed upon for a manufacturing process for the 4Ms (Man, Machine, Material, and Method) or other written purchase specifications, please make a report in advance.

(6-2) Quality management

It is necessary for your company to not only comply with all applicable laws and regulations in relation to the quality of products and services but to also comply with your company's own quality standards and customer requirements. In order to do so, it is necessary to create an appropriate mechanism and a management system.

(6-3) Provision of accurate product and service information

In relation to products and services, it is necessary for your company to provide information that is accurate and that will not cause misunderstandings, to customers and consumers. In other words, it is necessary to provide accurate information that will not cause misunderstandings in relation to products and services. False information and information that has been manipulated must not be provided.

When an impropriety, such as provision of false or manipulated information, is discovered, credibility as a corporation will be lost, an enormous amount of verification work will be required, and even continued existence as a corporation will be endangered.

Accurate information refers to things such as those below, for example.

- Content related to specifications, quality, and methods of handling related to products and services is accurate. (Expressions that differ from the facts will not be used, or customers' misunderstandings will not be caused.)
- Information about substances contained in materials and parts that are used in products is accurate.

7. Information security

It is necessary for your company to prevent leaks of confidential information and personal information and to strive to strengthen information security.

(7-1) Defense against cyber attacks

It is necessary for your company to take defensive measures against threats from cyberattacks and conduct management so that damage will not arise for your own company and other parties.

(7-2) Protection of personal information

For all personal information about parties, such as suppliers, customers, consumers, and employees, it is necessary for your company to comply with related laws and regulations and conduct appropriate management and protection.

(7-3) Prevention of leaks of confidential information

It is necessary for your company to thoroughly conduct management so that none of the confidential information of not only your company but also that which is received from customers and third parties will be dishonestly obtained, used, disclosed, or leaked.

8. Business continuity plans

In order for your company to carry out its supply responsibilities in cases in which your company or a supplier for your company encounters an emergency situation because of a large-scale natural disaster, a massive fire, an epidemic, or terrorism, it is necessary for your company to conduct preparations so that it will be possible to resume production activities as soon as possible.

(8-1) Formulation and preparation of business continuity plans

It is necessary for your company to identify and assess risks that will inhibit business continuity and to formulate business continuity plans (BCP) that summarize careful examination of effects on business, precautionary measures

that are necessary for the medium and long term, and initiatives for those precautionary measures.

Part 2: Creation of a management system

A. Creation of a management system

In order to realize compliance with Part 1: Code of Conduct, it is necessary for your company to create a management system and strive for continuous improvement through appropriate operation of that management system. In addition, in order for all workers to implement your company's policies, processes, and improvement targets and fulfill the requirements of applicable laws and regulations, it is necessary for them to regularly undergo education and training programs.

B. Management of suppliers

It is necessary for your company to convey the requirements of Part 1: Code of Conduct to suppliers and to create a process for monitoring suppliers' compliance with standards.

C. Appropriate export and import management

It is necessary for your company to comply with the laws and regulations of each country and region and to thoroughly conduct confirmation, under a clear and specific management system, of whether or not technologies and products that will be exported or imported are subject to regulation and about whether or not countries or regions for export or import are subject to trade regulation.

D. Preparation of a mechanism for handling complaints

In order to prevent improper actions at your company and in the supply chain and to make relief from infringement of human rights possible, it is necessary for your company to create a complaint-handling mechanism that can be used by stakeholders, including workers and suppliers, and to implement appropriate corrective measures. Measures must also be implemented so that whistleblowers will not incur disadvantages.

E. Disclosure of the state of initiatives

It is necessary for your company to create documents and records about initiatives for these guidelines and to conduct information disclosure based on related laws, regulations, and international standards.

(End)

3. Revision history

No.	Month and year of revision	History
1	October 2010	Creation of the first edition of the Meiden Group Guidebook for Promotion of Supply Chain CSR
2	January 2014	New addition of items of “IV. Fair transactions and ethics”
3	July 2022	<ul style="list-style-type: none"> - Change of the title to Meiden Group Guidelines for Sustainable Procurement - Established based on the Meiden Group’s company-wide policies and procurement policy and by referring to laws, regulations, standards, and guidelines that are widely recognized throughout the world