



Supplier CSR Guidelines

Yazaki Corporation

Contents

1. Introduction	P.1
2. Yazaki Group Corporate Identity and Relevant Policies	P.2-4
(1) Corporate Policy	
(2) Fundamental Management Policy	
(3) CSR Policy	
(4) Purchasing Guidelines	
3. Supplier CSR Guidelines	P.5-8
<Quality/Safety>	
<Risk Management>	
<Compliance>	
<Human Rights/Labor>	
<Environment>	
<Local and Global Communities>	
<To Our Suppliers>	

1. Introduction

We, as Yazaki Corporation (Yazaki Group), have been trying to make an effort to contribute to sustainable development of our society through our business as well as to pursue the realization of our Corporate Policy, “A corporation in step with the world” and “A corporation needed by society”, since establishment of our business in 1941.

Under social conditions in rapid changes, we established “Fundamental Management Policy” in 2002 for realization of our Corporate Policy. In 2007, we established “Purchasing Guidelines” to strengthen the supply chain with our customers and suppliers in accordance with our fundamental management policy of “Conduct business openly and fairly, and aim for co-existence and co-prosperity”. Moreover, considering increasing expectation to the corporations for their CSR (Corporate Social Responsibility) initiatives, we issued our “CSR Policy” in 2013 as the guideline for trust-building to all stakeholders and bigger contribution to society.

In addition, we received growing expectations to take CSR and ESG (Environment /Social/Governance) initiatives with regard to companies, in particular, preventing issues regarding human rights and labor, and taking corrective actions in the entire supply chain. In order to respect human rights in all activities of the Yazaki Group, we established “Yazaki Group Human Rights Policy” and revised “YAZAKI Global Responsible Mineral Policy” in 2020. The “Supplier CSR Guidelines” have also been partially revised to strengthen human rights related contents.

The Yazaki Group shall have the common understandings with suppliers for CSR through these guidelines and perform proactive CSR activities. Then we hope all of us to grow into the corporations needed by society.

We would like our suppliers to understand these guidelines and to promote their own CSR activities and extend it to their own suppliers as well.

※1 Yazaki Group Human Rights Policy :

<https://www.yazaki-group.com/global/csr/humanrights.html>

※2 YAZAKI Global Responsible Mineral Policy :

<https://www.yazaki-group.com/global/csr/conflict.html>

Yazaki Corporation

2. Yazaki Group Corporate Identity and Relevant Policies

(1) Corporate Policy

“A corporation in step with the world”

“A corporation needed by society”

(2) Fundamental Management Policy

In fulfilling our Corporate Policy, Yazaki Group activities are founded upon the following principles:

1. Increase company efficiency and provide the most value to our customers worldwide through continuous effort and the implementation of new concepts.
2. Uphold the law, respect regional cultures, and contribute to economic and social development.
3. Contribute to a prosperous future society through business focused on the environment and security.
4. Conduct business openly and fairly, and aim for co-existence and co-prosperity.
5. Care for people by creating a corporate culture that prioritizes individuality and team-work, while empowering people’s dreams.

(3) CSR Policy

The Yazaki Group Corporate Policy of “A Corporation in Step with the World” and “A Corporation Needed by Society” will only be realized by responding to the trust and needs of our society. In implementing our Fundamental Management Policy, we will listen to the voices of our stakeholders and reflect them in our business activities. Our goal is to contribute to the sustainable development of the earth and society, and we will encourage our business partners to support this policy and work together with us toward its achievement.

<Customers>

- We will develop and provide safe and high quality products and services that meet the expectations of our customers, and comply with relevant laws and standards.
- We will provide necessary product information properly from the perspective of customers.
- We will protect our intellectual property rights. At the same time, we will respect the legitimate intellectual property rights of others.
- We will carefully manage and protect confidential information of our business partners that we may have acquired through business activities.
- We will take preventive measures against all foreseeable risks surrounding our business and conduct risk management so that in the event of an emergency, we will be able to protect the safety of our employees and local residents as well as maintain business continuity.

<Local and Global Communities>

- We will respect the culture and laws of each country and territory, and in conducting all corporate activities, we will comply at all times with relevant laws as well as internal regulations, including this policy.
- We will comply with laws and regulations regarding import and export control of the country or region where we operate.
- We will prohibit the offering of bribes to public officials and politicians and maintain a sound and transparent relationship with government agencies.
- As good corporate citizens, we will endeavor to create an affluent society by promoting social contribution activities and proactive dialogue.

<Global Environment>

- Based on the Yazaki Global Environment Charter, we will actively promote environmental conservation activities to ensure that a rich global environment is passed on to the next generation.

<Business Partners>

- We will maintain a fair, just, and transparent relationship with our business partners and conduct transactions with integrity.
- We will comply with the laws and regulations of each country, region or territory in order to maintain fair competition.
- In procurement activities, we will expect business partners to act in accord with this policy for human rights, environment, and any other important elements.

<Employees>

- We will build working relations of mutual trust through an open and sincere dialogue with our employees.
- We will respect the diversity of our employees, will provide equal employment opportunities, and will not conduct discriminatory practices.
- We will respect human rights and will not tolerate human rights abuses. We will not be involved in forced or child labor.
- We will comply with laws and regulations related to labor, including wages and working hours, and at the same time, we will provide fair working conditions to all of our employees and maintain a safe and healthy working environment.
- We will actively pursue human resource development and improving the capacity and creativity of our employees.

(4) Purchasing Guidelines

Based on fundamental management policy (4. Conduct business openly and fairly, and aim for co-existence and co-prosperity), we ensure the maximum business opportunity, set short/long term target to be shared with suppliers, then implement coordinated investment and share the newly planned development and cost reduction achievement.

<Action Guidelines>

1. Conduct business openly and fairly
2. Strengthen competitiveness together with suppliers
3. Aim for co-existence and co-prosperity with suppliers
4. Share issues and target in cost reduction activity and its achievement
5. Ensure interactive communication based on mutual trust
6. In selecting a supplier, consider not only the quality, cost, delivery time, and technology, but also the status of social responsibility initiatives for environment, risk management, compliance, human rights, and labor

3. Supplier CSR Guidelines

The Yazaki Group will promote CSR procurement through our overall supply chain with the cooperation of suppliers. Not only providing products and services, from the perspective of CSR, we will also strive for "co-existence" and "co-education" to contribute to sustainable society with overall suppliers.

We would like our suppliers to understand these guidelines for their CSR initiatives and to kindly request their own suppliers to understand and implement these guidelines as well.

<Quality/Safety>

Ensuring high quality of products and safety of customers

Suppliers shall pursue excellence in the quality of their products and services. Suppliers shall provide appropriate information regarding products and services and efficiently deliver those to their customers with thorough consideration for end customers' safety and comfort.

<Risk Management>

Risk management

Suppliers shall take actions to prevent or minimize the possible risks of their business activity. In case of emergency, Suppliers shall take actions to ensure their business continuity.

<Compliance>

Compliance with laws and regulations

Suppliers shall respect international treaties and each country's laws and regulations as well as the culture where they conduct their business. Suppliers shall comply with laws and regulations applicable to their business including trade laws.

Managing information asset

Suppliers shall obtain the personal information of their customers, third parties, and their own employees, as well as the confidential information of their customers and third parties, in an appropriate way, strictly manage, protect and use it within an appropriate scope.

Also, Suppliers shall respect legitimate intellectual property rights of others.

Prohibition of bribery and political donations

Suppliers shall not make or offer payments or anything else of value to a government official to advance the company business. Also, Suppliers shall not make donations to political parties, candidates or public officials, except as permitted by each country's laws.

Prohibition of giving/receiving gifts and entertainment beyond standards

Suppliers shall not give or receive gifts, cash and entertainment beyond local laws and business customs to/from their own customers or suppliers including those to/from the employees of the Yazaki Group. If there are any inappropriate requests from employees of the Yazaki Group, Suppliers shall report to the Yazaki Group without responding to the requests.

Supporting free and fair competition

Suppliers shall operate under free and fair competition in compliance with competition laws. Suppliers shall not make agreements with their competitors about price, quantity of production, geographical market area, sales period, standard of products and services, etc. Also, Suppliers shall not interfere with transactions of their competitors, steal secrets of the competitors' new technologies and products, or information about competitors' customers and suppliers.

Conflicts of interest

Suppliers shall prohibit their employees' activities that cause harm to the company's interest in order to gain personal interest. Also, Suppliers shall conduct business properly with their business partners that have particular relationships (e.g. employment, ownership and management) with family members or close friends of their employees, and even avoid suspicion as an illicit activity. If there are any inappropriate requests of an illicit activity from employees of the Yazaki Group, Suppliers shall report to the Yazaki Group without responding to the requests.

<Human Rights/Labor>

Encouraging communication with employees

Suppliers' managements shall build relationships of mutual trust through dialogue and consultations in good faith with employees or their representatives. Also, Suppliers shall recognize their employees' right to freely associate, or not to associate, complying with the laws of the countries where we operate.

Respect for diversity and non-discrimination

Suppliers shall respect the diversity of their employees, and shall not conduct discriminatory practices. In order to achieve this, Suppliers shall make employment and career development decisions without regard to nationality, race, ethnicity, gender, sexual orientation, gender identity, age, origin, educational background, relatives, disability, religions, employment patterns and so on.

Respect for human rights

Suppliers shall respect human rights. Suppliers shall not allow forced labor and child labor. Also, Suppliers shall not accept sexual harassment and other offensive behavior.

Refer to “Yazaki Group Human Rights Policy[※]” for details.

※ <https://www.yazaki-group.com/global/csr/humanrights.html>

Ensuring safety and health at workplace

Suppliers shall comply with laws and regulations about health and safety, ensuring a safe and healthy work environment to their employees.

Fair treatment of personnel affairs

Suppliers shall comply with labor laws and provide all of their employees with fair working conditions.

<Environment>

Protecting the environment

Suppliers shall comply with environmental laws and regulations in their business operation, and shall be involved in proactive environmental protection activities to set and achieve their voluntary environmental standards and goals. Suppliers shall manufacture products taking the environmental impact and product safety into consideration throughout the product life cycle. Suppliers shall give their support and cooperation to environmental protection activities and nature conservation activities by government or communities. In addition, Suppliers shall promote proper management for environmental substances.

Refer to “YAZAKI Green Purchasing Guidelines[※]” for details.

※ https://www.yazaki-group.com/file/greenpurchasingguidelines_5th_eng.pdf

<Local and Global Communities>

Contributing to society

Suppliers, as good corporate citizens in local and global communities, shall endeavor to create an affluent society by promoting social contribution activities and communication with stakeholders.

Responsible minerals procurement

In conflict-affected and other high-risk areas that may cause serious social problems such as human rights abuses and the environmental pollution including forced labor and child labor, Suppliers shall work in partnership with their suppliers and customers to examine the usage conditions in order to avoid the usage of those minerals deriving from social problems. Whenever any concerns about the usage of relevant minerals are confirmed in our supply chain, Suppliers shall take measures against such usage.

Refer to “YAZAKI Global Responsible Mineral Policy[※]” for details.

※<https://www.yazaki-group.com/global/csr/conflict.html>

Information disclosure to stakeholders

Suppliers shall provide their stakeholders with timely and fair disclosure on their operating results, financial condition, environment, risk management, compliance, human rights and labor. Suppliers shall through open and fair communication, enhance to maintain and develop mutual understanding and relationships of trust with stakeholders.

<To Our Suppliers>

Compliance with agreements with Yazaki Group including Supplier CSR Guidelines

We kindly request Suppliers to comply with agreements with Yazaki Group including Supplier CSR Guidelines. In case that knowing the violation of these guidelines and agreements, or suspected violation, please inform Yazaki Group immediately.

<Consulting service and Contact>

CSR Contact Desk

YAZAKI Corporation

1500, Mishuku, Susono city, Shizuoka 410-1194, JAPAN

E-MAIL: smb_yazaki-csr@jp.yazaki.com



1st Edition November 2015
Revised October 2021
Yazaki Corporation