



Supplier CSR Guidelines

(4th Edition)

July 2016, Revised

Purchasing Division
YAZAKI Corporation

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1. Introduction

We, as YAZAKI Corporation (YAZAKI Group), has been trying to make an effort to contribute for sustainable development of our society and global through our business as well as to pursue the realization of our corporate policy, "A corporation in step with the world" "A corporation needed by society" since our business establishment in 1941.

Under social conditions in rapid change, YAZAKI Corporation has implemented our activity in accordance with "Fundamental Management Policy (issued in 2007)" for realization of our corporate policy.

Furthermore, we issued "Purchasing Guidelines" in 2007 in order to strengthen our supply chain with our customers and suppliers.

Moreover, in recent years, a request to fulfill CSR (Corporate Social Responsibility) has been increasing, we have issued our "CSR Policy" in 2013 as the guideline for trust-building to all stakeholders and bigger contribution to society.

In accordance with "Conduct business openly and fairly, and aim for co-existence and co-prosperity" which is the base of "Purchasing Guidelines", our suppliers and YAZAKI Corporation to have the common understandings for CSR by this guidelines. Then hope all of us to grow up to the corporation needed by society by proactive CSR activity.

We would like our suppliers to promote CSR activity and continue further proactive approach in future including your own suppliers as well.

Akira Kato

Akira Kato
Managing Executive Officer
General Manager
Purchasing Division
YAZAKI Corporation

2. Corporate Identity YAZAKI Corporation

(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) 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 chance, and setting 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 purchasing business partners
3. Aim for co-existence and Co-prosperity with Purchasing business partners
4. Share issues and target in Cost reduction activity and its achievement
5. Ensure interactive communication based on mutual trust

3. YAZAKI Corporation 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 global 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 & Global Communities>

- We will respect the culture and laws of each country and territory, and in conducting all corporate activities 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.

<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, provide equal employment opportunities, and not conduct discriminatory practices.
- We will respect human rights and not tolerate human rights violations. We will not practice 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. Suppliers CSR Guidelines

<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 deliver them for their customers with thorough consideration for end customers' safety and comfort, holding high standards of efficiency and effectiveness.

<Risk Management>

Risk management

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

<Compliance>

Managing information asset

Suppliers shall manage and protect information used in connection with their business, as well as the information provided by customers or their own suppliers and the personal information of their employees. Also, suppliers shall respect legitimate intellectual property rights of others.

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.

Prohibition of bribery and political contribution

Suppliers shall not make or offer payments or anything else of value to a government official to advance company business. Also, suppliers shall not make contributions 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 Yazaki Group. If there are any inappropriate requests from employees of Yazaki Group, suppliers shall report to 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 products and services such as price, quantity of production, geographical market area, sales period, and standard. Also, suppliers shall not disparage 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 will 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 avoid even suspicion as an illicit activity. If there are any inappropriate requests of an illicit activity from employees of Yazaki Group, suppliers shall report to 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.

Respect for diversity and non-discrimination

Suppliers shall respect the diversity of their employees, and not conduct discriminatory practices. In order to achieve this, suppliers shall make employment and career development decisions without regard to nationality, race, gender, sexual orientation, age, origin, relatives, disability, religion 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.

Ensuring health and safety at workplace

Suppliers shall comply with laws and regulations about health and safety, ensuring a safe 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.

<Local & Global Communities>

Contributing to society

Suppliers, as good corporate citizens, shall endeavor to create an affluent society by promoting social contribution activities and proactive dialogue.

Protecting the environment

Suppliers shall comply with environmental laws and regulations in their business operation, and be involved in proactive environmental protection activities to 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.

Responsible sourcing

Suppliers shall procure in line with this guideline. Suppliers shall cooperate with their customers and their own suppliers, especially to avoid the use of the materials potentially causing serious social problems such as human rights or the environmental issues.

*** Final Note ***

Comply suppliers guidelines and agreements with YAZAKI Group

Comply suppliers guidelines and agreements with YAZAKI group.

In case that knowing the violation of guidelines and agreements, or suspected violation, please inform us accordingly.

<Consulting service, Inquiry to>

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