

Piolax

Business Partner CSR Guidelines

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Introduction

Under the company credo of “Sincerity, Cooperation, and Contribution,” each employee at the Piolax Group has been committed to improving the environment, society, and governance, thereby contributing to society. As you know, achieving a sustainable society has become a major theme in the international community, and corporate efforts are receiving increasing attention year by year. To appropriately respond to the demands and expectations of society as a whole, it is necessary to work together, not only within the Piolax Group, but also in partnership with our business partners (*1).

In light of the above, the Piolax Group has established the “Business Partner CSR (*2) Guidelines” for our business partners to encourage more concrete efforts related to safety and quality, human rights and labor, risk management, compliance, and appropriate information disclosure.

We kindly ask our business partners to refer to these Guidelines and work together with the Piolax Group in promoting CSR activities, so that we can appropriately respond to the demands and expectations of society.

*1: Business partners from whom the Piolax Group procures services, materials, equipment, and similar items (including suppliers, contractors, distributors, agents, consultants, and similar parties, regardless of industry)

*2: Abbreviation for Corporate Social Responsibility, which refers to a company’s responsibility to society

Satoshi Yamada, President

1. Piolax Group Procurement Policies

In dealings with its all business partners, the Piolax Group complies with applicable laws and regulations in Japan and abroad and makes fair and open transactions considering the impact on the environment and society. The Piolax Group also builds trust relationships with its business partners aiming for mutual prosperity.

1) Conduct fair and open transactions

The Piolax Group provides fair and open opportunities to its business partners based on the principle of free competition.

2) Build mutual trust with business partners

The Piolax Group establishes trust relationships with its business partners and strives for mutual development.

3) Operate CSR procurement

The Piolax Group promotes CSR procurement in view of compliance with laws, occupational safety, respect for human rights, environmental conservation, and corporate ethics.

2. Business Partner CSR Guidelines

2.1 Overview and Application of these Guidelines

These Guidelines summarize the matters that the Piolax Group and its business partners must mutually understand and comply with. They are intended to ensure that the Piolax Group conducts its business activities from a CSR perspective and responds to the demands and expectations of society and the requirements of its customers. We kindly ask our business partners to understand the intent of these Guidelines, implement them internally, and communicate them to your business partners to ensure thorough implementation across the entire supply chain.

2.2 Compliance

2.2.1 Compliance with Laws and Regulations

We comply with the applicable laws and regulations of each country and region. To ensure thorough compliance, we establish and implement company-wide policies and structures, codes of conduct, whistleblowing systems, training programs, and other mechanisms.

2.2.2 Compliance with Competition Laws

We comply with competition laws, including antitrust laws (the Act on Prohibition of Private Monopolization and Maintenance of Fair Trade), in each country and region, and do not engage in practices such as private monopolization, unreasonable restraint of trade (cartels, bid rigging, and other anti-competitive practices), unfair trade practices, or abuse of a superior bargaining position.

Details of the Piolax Group's measures to prevent anti-competitive practices

●Global Policy for Preventing Anti-Competitive Practices

(URL: https://www.piolax.co.jp/resources/pdf/csr/compliance/Anti-Competitive_Policy_2025_EN.pdf)

2.2.3 Corruption Prevention

When making political contributions, donations, and other forms of support, we comply with the laws and regulations of each country and region and strive to maintain transparent and fair relationships with political and administrative authorities. We do not provide or receive any entertainment, gifts, or money from our business partners for the purpose of obtaining or maintaining unfair advantages or preferential treatment.

Details of the Piolax Group's measures to prevent bribery

- Global Policy for Preventing Bribery

(URL: https://www.piolax.co.jp/resources/pdf/csr/compliance/Anti-Bribery_Policy_2025_EN.pdf)

2.2.4 Exclusion of Anti-social Forces(*) in Japan in Accordance with Japanese Government Guidelines and Ordinances

We eliminate anti-social forces and refuse any relationship with them.

* Organized crime groups, members of organized criminal groups, individuals who have left an organized crime group within the last five years, quasi-members of organized crime groups, companies affiliated with organized crime groups, corporate racketeers, individuals or groups engaging in criminal activities under the pretext of conducting social campaigns, crime groups specialized in intellectual crimes, and other equivalent individuals or groups.

2.2.5 Prohibition of Money Laundering

In accordance with the laws and regulations of each country and region, we must not engage in any form of money laundering, nor shall we receive, conceal, or dispose of funds obtained or suspected to have been obtained by illegal means.

2.2.6 Prohibition of Conflicts of Interest

We do not engage in any conduct that pursues personal, business partner, or third-party interests at the expense of the interests of the Piolax Group.

2.2.7 Export and Import Control

When exporting and importing technology, goods and other items regulated by the laws and regulations of each country and region, we follow the appropriate export and import procedures and controls in accordance with the laws and regulations of each country and region.

2.2.8 Management and Protection of Confidential Information

We obtain the personal information of customers, third parties, and Piolax Group employees, as well as the confidential information of customers and third parties by legitimate means, manage such information strictly, use it within an appropriate scope, and ensure its protection. In addition, we do not engage in insider trading based on confidential information.

2.2.9 Protection of Intellectual Property

We protect intellectual property rights owned by or belonging to our company, and do not engage in any infringement of rights through the unauthorized acquisition or use of third-party intellectual properties, such as patents, utility models, designs, or trademarks, nor through the unauthorized copying of technologies, software, or publications.

2.2.10 Protection of Whistleblowers (Complaint Handling and Protection from Retaliation)

We protect employees and business associates from being subject to dismissal, intimidation, or other adverse actions as a result of filing a complaint.

2.3 Safety and Quality

2.3.1 Provision of Products and Services that Meet Customer Needs

We understand customer needs to develop and provide socially beneficial products.

2.3.2 Ensuring Safety of Products and Services

We produce and provide products that comply with the safety regulations and other relevant standards set forth in each country and region.

2.3.3 Ensuring Quality of Products and Services

We establish and operate a company-wide system to ensure quality.

2.4 Human Rights and Labor

2.4.1 Elimination of Discrimination

We do not discriminate on the basis of race, ethnicity, national origin, religion, gender, disability, sexual orientation, gender identity, and other such characteristics in any employment situation*.

*Application, hiring, promotion, wages, termination, resignation, work assignment, discipline, and other related matters.

2.4.2 Respect for Human Rights

We do not tolerate any form of harassment in the workplace on the basis of race, ethnicity, national origin, religion, gender, disability, sexual orientation, gender identity, and other such characteristics.

2.4.3 Prohibition of Child Labor

We do not permit the employment of children who have not reached the legal working age as defined by the laws of each country and region.

2.4.4 Prohibition of Forced Labor

We ensure that all work is conducted voluntarily and that employees have the freedom to resign at their own will, and do not engage in slave labor or forced labor, including any form of human trafficking.

2.4.5 Wages

We comply with the laws and regulations of each country and region regarding minimum wages, overtime pay, wage deductions, piece-rate wages, and other benefits.

2.4.6 Working Hours

We comply with the laws and regulations of each country and region regarding the determination of employee working hours (including overtime), the granting of holidays and annual paid leave, and other related matters.

2.4.7 Dialogue and Consultation with Employees

We engage in dialogue and consultation in good faith with employee representatives or employees. We recognize the right of employees to freely associate or not to associate in accordance with the laws and regulations of each country and region.

2.4.8 Safe and Healthy Workplace Environment

We place the highest priority on ensuring the occupational safety and health of our employees and strive to prevent accidents and disasters.

<Health>

When employees are directly exposed to biological or chemical substances in the course of their work, we carry out health and safety management. We also provide appropriate protective equipment.

<Safety>

We take and manage safety measures in the workplace through technical and managerial methods. We also provide employees with appropriate protective equipment.

<Physically Demanding Work>

We assess and appropriately manage situations involving physically demanding work for employees (heavy labor such as manual carrying, long hours of standing work, repetitive work such as assembly, and other similar tasks), and provide the employees concerned with appropriate workplaces and tools.

<Safety Measures for Machinery and Equipment>

We ensure proper maintenance of machinery and equipment, along with safety measures such as safety devices, interlocks, and protective barriers.

2.4.9 Measures to Address Conflict Minerals*

We investigate the supply chain for the use of conflict minerals, and if the use of minerals of concern is identified, we will make efforts toward avoiding their use.

- * Minerals originating from the Democratic Republic of the Congo and neighboring countries that are believed to be involved in funding armed groups and human rights abuses in conflict areas.

2.4.10 Respect for Rights of Local Residents and Indigenous Peoples

We respect the rights of residents and indigenous peoples in the areas where we operate to own, use, and manage land, forests, water, and other resources.

Details regarding the Piolax Group's Human Rights Practices

- Piolax Human Rights Policy

(URL: https://www.piolax.co.jp/resources/pdf/csr/human_rights_policy_EN_2024.pdf)

2.5 Environment

2.5.1 Environmental Management

To promote a wide range of environmental initiatives, we comply with the laws and regulations of each country and region and establish a company-wide management system for continuous operation and improvement. In addition, we systematically implement administrative procedures such as obtaining necessary permits and licenses, filing notifications, and submitting reports.

2.5.2 Prevention of Environmental Pollution of Air, Water, Soil, and Other Elements

We comply with the laws and regulations of each country and region regarding the prevention of pollution of air, water, soil, and other elements, and prevent environmental pollution through continuous monitoring and reduction of pollutants.

2.5.3 Reduction of Greenhouse Gas Emissions

We develop products and services that reduce greenhouse gas emissions and work to reduce greenhouse gas emissions throughout the entire lifecycle, starting with our business sites.

2.5.4 Reduction of Impact on Water Environment

We continuously evaluate our impact, taking into consideration the water environment of each country and region, and make every effort to reduce water usage and manage wastewater.

2.5.5 Promotion of Resource Conservation and Waste Reduction Initiatives

We comply with the laws and regulations of each country and region regarding proper disposal and recycling of waste, and work to reduce the volume of final waste disposal through effective use of resources.

2.5.6 Chemical Substance Management

We safely manage chemical substances that may pollute the environment. We ensure that our products do not contain chemical substances prohibited by the laws and regulations of each country and region. In the manufacturing process, we do not use prohibited chemical substances, and for chemical substances designated by the laws and regulations of each country and region, we monitor emission volumes and report them to the authorities in accordance with the laws and regulations.

2.5.7 Promotion of Ecosystem Protection Initiatives

We strive to understand the impact of all corporate activities, from raw materials to final products and post-use of products, on ecosystems and to protect them.

Details regarding the Piolax Group's Environmental Practices

- Green Procurement Guidelines

(URL:https://www.piolax.co.jp/resources/pdf/csr/green_guideline_2024.pdf)

2.6 Disclosure of Information

We are committed to disclosing information such as financial conditions, business performance, and details of business activities to stakeholders in a timely and appropriate manner, while engaging in open and fair communication to maintain and develop mutual understanding and trust with stakeholders.

Confirmation of Agreement

There is a growing social demand to comply with laws, regulations, and socially accepted practices year by year, and it is necessary for the entire society, not only the automotive industry, to act and promote efforts to meet such demand.

The Piolax Group (hereinafter referred to as “the Company”) kindly asks all our business partners to actively engage in CSR activities and to comply with the Business Partner CSR Guidelines (hereinafter referred to as “these Guidelines”) in their transactions with the Company. The Company reserves the right to revise these Guidelines, and the latest version of these Guidelines are available at the following URL.

To confirm your agreement with these Guidelines and the matters outlined below, we request the submission of a confirmation of agreement (hereinafter referred to as the “Confirmation of Agreement”) signed by a representative or authorized officer.

<Business Partner CSR Guidelines>

URL : https://www.piolax.co.jp/resources/pdf/csr/csr_guidelines_2025_en.pdf

1. The Company requires all our business partners to comply with these Guidelines.
2. The Company also requires all our business partners to actively engage in CSR activities.
3. Our business partners are asked to take steps to ensure that their suppliers and subcontractors (hereinafter referred to as the “Subcontractors”) also comply with these Guidelines.
4. To implement the preceding paragraphs, our business partners are asked to establish and operate an internal system*.
5. To verify compliance with the preceding paragraphs, the Company may ask our business partners relevant data or documents or on-site inspections. Your sincere cooperation would be appreciated for this.
6. In the event of any occurrence that does not conform to these Guidelines, our business partners are required to promptly notify the Company in writing. In case of any violation of these Guidelines in the business activities of our business partners and their Subcontractors, please immediately notify the Company in writing and submit a report detailing the investigation findings and corrective action plan. Until a corrective action plan is deemed appropriate, the Company may suspend new transactions depending on the severity of the violation of these Guidelines and the investigation findings.
7. The submission of this Confirmation of Agreement does not constitute a commitment to commence any transactions (including but not limited to the purchase and sale of materials, equipment, and similar items and outsourcing of operations) between the Company and our business partners.

* Individual business owners are requested to make their utmost efforts to implement Paragraphs 1 through 3.

I hereby agree to the above matters and submit the Confirmation of Agreement.

Company Name:

Address:

G Code (if available):

Department and Title:

Name:

Email Address:

Date:

Signature (or name and seal; for a representative, the official company seal):

Please submit the Confirmation of Agreement (original) to the department in charge of your company.

In case of electronic signature, our business partners shall electronically sign the Confirmation of Agreement prepared by PIOLAX, INC., and both parties shall retain a copy of the said electronic record.