Rubycon Group

Request to valued Suppliers

Let's be the best in Japan!
"Tradition and Enterprise," "Endeavor and Study," "Faith and Trusut"
[Foundation Spirit]

Our desirable future

5 Corporate Philosophies
[Mottos to establish our desirable future and goal]

Foundation Spirit

Responsibility as a global company

Vision — **Employees'Motto**

Code of conduct to be observed by every employee

Code of Conduct

Customers

Global Compact

Community

Stock holders

Employees
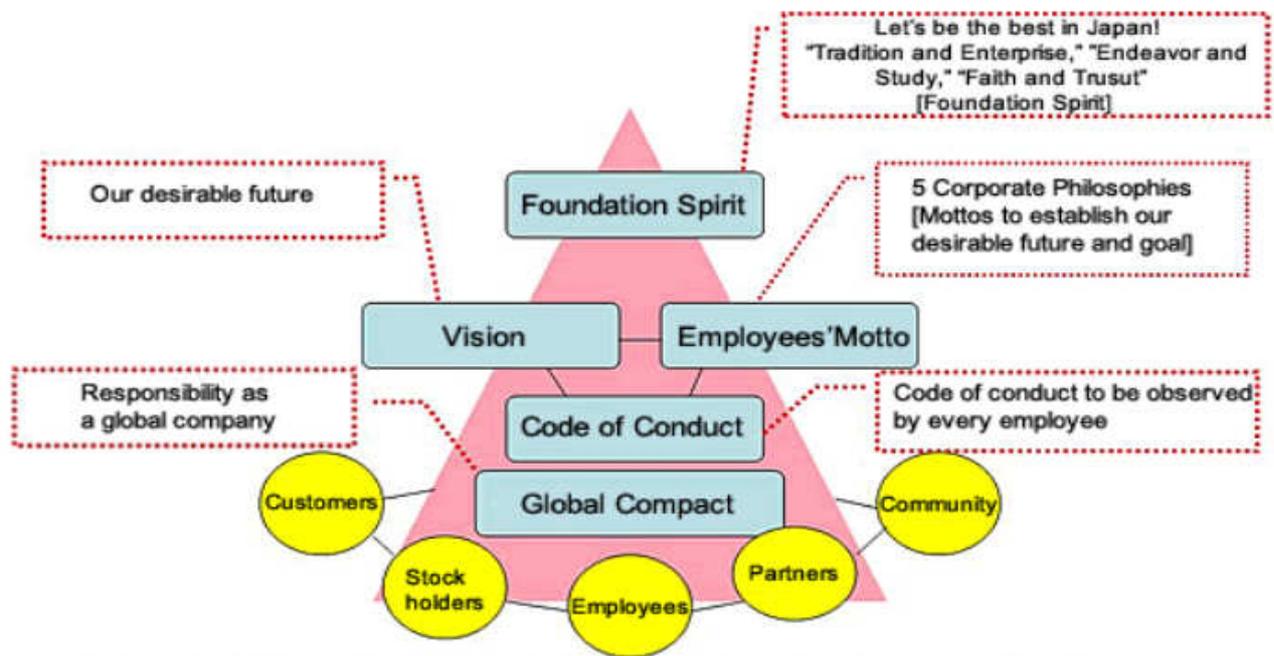
Partners

Concep of Rubycon Group's CSR initiatives to realize the management philosophy

1. Compliance with Laws, Regulations and Social Norms

Rubycon aims to provide its customers with products that fully meet or exceed their expectations. In doing so, we discipline ourselves to comply with the laws, regulations, and social norms of the countries and regions of the world in which we operate (including laws, standards, or conventions concerning the prohibition of forced labor and child labor, prohibition of discrimination based on unreasonable grounds, anti-corruption, laws regarding appropriate wages and working hours, and maintenance of safe and clean working environments), carry out sound corporate activities and behave in a manner that is in accordance with laws, regulations, and social norms. Accordingly, we would expect our suppliers to do the same in the countries and regions where you operate and to execute the appropriate management necessary to comply with this requirement.

1) Prohibition of forced labor	・ All employees shall be employed of their own free will, and no employee shall be forced into labor.
2) Prohibition of child labor	・ Children below minimum working age shall not be employed, nor shall children be forced into work which would impair their development. In general terms, child labor shall refer to employment of those below the minimum working age as set forth under the terms and recommendations of the International Labour Organization (ILO), or that neglects to protect the welfare of young workers.
3) Working hours	・ Employee working hours, holidays, and breaks shall be appropriately managed to ensure hours do not exceed legally established limits.
4) Adequate wages	・ Employees shall be paid at least the legally mandated minimum wage, and wages shall not be unfairly reduced.
5) Prohibition of inhumane treatment	・ The human rights of employees shall be respected, and cruel and inhumane treatment, including all forms of abuse and harassment shall be prohibited.
6) Prohibition of discrimination	・ Suppliers shall work to eliminate discrimination in recruiting and hiring, and to achieve fairness in providing equal opportunity and treatment. Discrimination refers to establishing differences in opportunities and treatment in hiring, promotion, compensation, training, and other areas based on other than legitimate factors such as an individual's abilities, suitability, performance, etc.
7) Employee right to organize	・ Employee right to organize shall be respected as a means of enabling labor/management consultation regarding the working environment, wage levels, and other issues.
8) Exclusion of anti-social forces	・ Suppliers shall work to exclude anti-social forces and organizations that pose a threat to the order and security of civil society and sever all relations with such individuals and groups.

2. Health and Safety

Suppliers are asked to ensure health and safety in the workplace (including equipment and facilities), work to track industrial accidents and illness, build a system and framework for emergency response, and properly manage the health of their employees.

1) Workplace health and safety	・ Assess risks associated with workplace safety, and ensure safety through appropriate design, technology, and management methods. ・ Track exposure in the workplace to substances and chemicals harmful to humans, as well as to unwanted noise, odors, etc., and take appropriate steps to deal with same.
2) Emergency response	・ To protect the safety of life and limb, prepare an emergency response to all envisioned disasters, accidents, etc., and ensure they are thoroughly communicated in the workplace.
3) Industrial accidents/ illness	・ Track the status of industrial accidents and illness, and take appropriate steps to deal with same.
4) Considerations for physically demanding labor	・ Identify physically demanding tasks (to include, in addition to heavy labor, repetitive or continuous tasks carried out over a long period of time, such as assembly work, data entry, etc.), and manage same appropriately to ensure they do not lead to industrial accidents and/or illness.

5) Equipment and machinery safety	・ Take appropriate safety measures for use of supplier's own equipment and machinery to prevent workplace accidents and health problems.
6) Facility health and safety	・ Ensure an appropriate level of health and safety in facilities provided for employees (including dormitories, cafeterias, toilets, etc.).
7) Management of employee health	・ Provide appropriate health management for all employees, including medical examinations, disease prevention, and mental health care.

3. Environmental Considerations

Rubycon takes the protection of the global environment as one of its critical management tasks, and strives to contribute to the development of a sustainable society by delivering environmentally conscious products to consumers. To this end, suppliers must manage the parts and raw materials that constitute our products at their source, including in their procurement activities and production processes. We would like you to promote the following biodiversity and other environmental protection activities so that together, we can create products that are not harmful to the global environment.

1) Environmental management system	・ Suppliers shall build and operate an environmental management system. Examples of this would include the creation of an environmental protection framework in compliance with ISO14001 or similar environmental management systems, and promotion of external certification.
2) Control of chemical substances in products	・ For all products, suppliers shall control those chemical substances designated under Rubycon Group environment-related substance control standards and other laws and regulations.
3) Control of chemical substances in the manufacturing process	・ Suppliers shall control chemical substances in the manufacturing process as designated under the laws and regulations of the countries in which they are located.
4) Environmental permits/ government approvals	・ When so required, suppliers shall obtain government approvals in accordance with the laws and regulations of the countries in which they are located, and shall submit all management reports to government as requested.
5) Minimizing environmental impact	・ Suppliers shall abide by the laws and regulations of the countries in which they are located with regards to waste water, sludge, exhaust, noise, and odors, and, where necessary, shall make further improvements based on self-imposed standards. ・ Suppliers shall respect the biodiversity guidelines of the countries in which they are located, and shall work to minimize their impact on biodiversity.
6) Waste reduction	・ Suppliers shall establish their own goals for the reduction of waste products, and shall work toward their continuous reduction.
7) Efficient use of resources and energy	・ Suppliers shall establish their own goals for resource and energy conservation, and shall work toward the continuous efficient use of resources and energy.
8) Reduction of greenhouse gas emissions	・ Suppliers shall establish their own goals for the reduction of greenhouse gases, and shall work toward their continuous reduction.
9) Disclosure of environmental protection activities.	・ Suppliers shall disclose, as needed, the results of their biodiversity and other environmental activities.

4. Fair and Impartial Trade

Rubycon opens its doors wide to suppliers who can develop mutual understanding and trust. We carry out fair and appropriate procurement activities based on our policies and procedures disclosed to the suppliers. Suppliers are also requested to follow our policies and procedures.

1)	Prohibition of corruption and bribery	・ Suppliers shall maintain constructive, legitimate relationships with politics and government, and shall not engage in bribery, illegal political donations, or other such acts.
2)	Prohibition of abuse of dominant bargaining position	・ Suppliers shall not penalize their own suppliers through abuse of a dominant bargaining position. Abuse of a dominant bargaining position refers to use of one's position as a purchaser or consignor to unilaterally decide or alter the terms of transactions with suppliers, etc., or to place on them unreasonable demands or obligations.
3)	Prohibition against making or accepting illegal payoffs	・ Suppliers shall neither make nor accept illegal payoffs in their relationships with stakeholders. Making or accepting illegal payoffs refers to giving or receiving from customers gifts, prizes, monetary awards, etc. beyond what is allowed by law, or providing or accepting monetary gifts or entertainment beyond social convention, or other acts of venality.
4)	Prohibition of anticompetitive behavior	・ Suppliers shall not act in ways that interfere with fair, transparent, and free competition. Acts that interfere with competition refer to agreements between competitors regarding prices, volumes, sales territories, etc. (cartels), working with other bidders to decide the winning bidder or price in a bid (collusive bidding), and other such acts.
5)	Provision of accurate product/service information	・ Suppliers shall provide consumers, customers, and others with accurate information about their products and services.
6)	Respect for intellectual property	・ Suppliers shall respect the intellectual property of others, and shall not misuse or infringe on same.
7)	Appropriate export controls	・ Suppliers shall have a clear structure for controlling the export of technologies and goods regulated by law, and shall carry out appropriate export procedures regarding same.
8)	Information disclosure	・ Regardless of whether or not such disclosure is required by law, suppliers shall be proactive in providing and disclosing information to stakeholders. Information to be provided and disclosed to stakeholders refers to descriptions of business activities, financial status, business performance, risk-related information (e.g. damage related to a major disaster, incidents having a negative impact on the environment or society, discovery of significant violations of the law, etc.).
9)	Prevention and early detection of illegal behavior	・ Suppliers shall act to prevent illegal behavior, and have in place a system for early detection of, and response to, such acts.

5. Ensuring Information Security and the Appropriate Protection of Information

With respect to trade with Rubycon, suppliers can access and obtain Rubycon's corporate information, such as its know-how or classified information, as well as the classified or private information Rubycon has on others. You are requested to strictly safeguard the information you have accessed through your business dealings with us to prevent any leak or disclosure to unauthorized personnel or outside parties. Suppliers are also asked to implement measures to combat computer viruses, and to manage such measures so as to prevent causing harm either internally or to other companies.

1)	Preventing leaks of private information	・ Suppliers shall appropriately manage and protect the private information of their customers, third parties, and their own employees. Appropriate management and protection refer to protecting private information from being illegally or wrongfully obtained, used, disclosed, or leaked.
2)	Preventing leaks of confidential information of customer and other third parties	・ Suppliers shall appropriately manage and protect confidential information received from customers and other third parties. Appropriate management and protection refer to protecting confidential information from being illegally or wrongfully obtained, used, disclosed, or leaked.

3) Defending against computer network threats	· Suppliers shall undertake defensive measures against computer network threats, and shall manage such measures so as to prevent harm either internally or to other parties.

6. Ensuring Quality and Safety, Delivery, Fair Pricing, and Stable Supply

Parts, and raw materials provided by our suppliers have an enormous impact on Rubycon. Suppliers are asked to provide parts and raw materials that meet Rubycon specifications and quality standards, while complying with delivery dates and providing fair prices.

1) Ensuring quality and safety	· Suppliers shall build and operate a quality management system, and to maintain and improve the quality of the products they deliver to customers, shall comply with the safety standards of the countries and regions in which they do business, to provide products, parts, and raw materials that meet the required specifications and quality standards. · Suppliers who design their own products shall ensure those products meet the safety standards prescribed by the laws, etc. of each country. A quality management system refers to an overall management framework for promoting quality assurance activities, and includes organizational structures, systematic activities, division of responsibility, practices, procedures, processes, and corporate resources. Quality assurance activities, in this context, refers to the creation of quality-related policies, the implementation of measures in accordance with those policies, and their achievement, reevaluation, and maintenance. In practice, this means running quality assurance through a PDCA cycle to ensure continuous improvement.
2) Ensuring on-time delivery and stable supply	· To enhance their responsiveness to change, suppliers shall work to appropriately manage delivery schedules through a close exchange of information with Rubycon, and having in place a flexible supply structure. · Suppliers shall establish and disclose a business continuity plan (BCP), and even in times of disaster, shall work to continue business while placing first priority on saving lives.
3) Ensuring fair pricing	· To ensure customers are happy with product prices, as well, suppliers shall provide parts and raw materials which are highly competitively priced, and shall maintain efforts to keep prices low. · To maintain a continuing relationship, it is essential that the parties involved have a healthy, stable management base, and to that end, suppliers shall disclose their management policies and business conditions (including financial status).

7. Promoting Social Contributions

Companies must grow sustainably with society. To this end, we ask that our suppliers determine what is feasible for each of you, and be proactive in your initiatives to contribute to both the global and your local communities. These initiatives may involve contributions using your primary business or technologies, non-monetary contributions utilizing your facilities or personnel, monetary donations, and others.

8. Promoting CSR Activities Internally and Among Suppliers

We ask that our suppliers have a correct understanding of the importance of CSR, and work to promote CSR activities both internally and among your own suppliers.

1) Promoting CSR activities internally	· Suppliers shall build an overall framework encompassing the organization, division of responsibilities, processes, etc. needed for the promotion of CSR activities, and shall continuously improve its CSR policies through a PDCA cycle of creation, execution, achievement, reevaluation, and maintenance.
2) Promoting CSR activities among suppliers	· Internally, suppliers shall track the status of CSR activities among their own suppliers, and shall work to spread and disseminate CSR activities among suppliers by building a system and designating individuals responsible for educating them.