

NOK Group Sustainability Procurement Guidelines

Introduction

We, NOK Group, are committed to being an entity that fulfills the role of driving efforts toward the realization of a sustainable society while upholding the principle of fair and free competition, through creating added value that is socially useful, generating employment, and acting autonomously and responsibly.

We believe that if we are to achieve this goal, it is essential that our awareness is shared across suppliers and to work together throughout the supply chain to realize a sustainable society, and established NOK Group Sustainability Procurement Guidelines as our code of conduct.

We ask our suppliers, who are important business partners of the NOK Group, to understand the purpose of this guideline and to implement it on their own, and we also ask their own suppliers to implement it.

1. Human rights and Labor

(1) Prohibition of Forced Labor

We maintain a zero-tolerance policy towards forced labor and human trafficking, whereby individuals are coerced into work against their will and under the threat of punishment.

(2) Prohibition of Child Labor

We firmly oppose and prohibit child labor below the minimum age defined by labor laws and regulations in the countries and regions where we operate and international norms.

(3) Compliance with Working Hours and Payment of Wages

We comply with the laws and regulations of each country and region where employees are entitled to minimum wages, overtime, wage deductions, piece-

work payment, other benefits, working hours (including overtime), holidays, and annual paid holidays. In particular, we recommend that wages exceed national and local laws and regulations, and we do not work excessive overtime hours.

(4) Non-Harassment

We do not accept any form of harassment, including abuses of power and sexual harassment.

(5) Prohibition of Discrimination

We do not discriminate on the grounds of race, ethnicity, creed, gender, age, marital status, physical characteristics, disability, etc., in any employment or treatment (application, recruitment, promotion, remuneration, right to receive education, work grants, wages, welfare, punishment, dismissal, retirement, etc.).

(6) Freedom of Association and Collective Bargaining

We respect the freedom of association and the right to participate in collective bargaining, and engage in good faith dialogue and consultation directly with employees or their representatives. We also recognize employees' right to freely associate or not in accordance with the laws and regulations of each country and region.

2. Health and Safety

(1) Occupational Health and Safety

We ensure the safety of workers by identifying health and safety risks in the workplace and implementing risk reduction measures and risk management.

(2) Emergency Preparedness

Potential emergency situations are to be identified and assessed, and maintained emergency response measures, procedures, and their damage minimized by conducting education and training for workers.

(3) Occupational Injury and Illness

We strive to prevent occupational injury and illness by grasping the situation of occupational injury and illness, providing necessary relief and treatment, investigating cases, implementing corrective actions, and establishing mechanisms to facilitate the return of workers.

(4) Occupational Health

To provide a safe and hygienic working environment for workers by identifying and assessing the risk of exposure to chemical, biological and physical factors, implementing risk reduction measures and risk management.

(5) Physically Demanding Work

We strive to prevent injuries to workers by identifying and assessing the risks of other tasks that place a heavy burden on the body of the worker, such as lifting heavy objects, standing for long periods of time, and implementing risk reduction measures and risk management.

(6) Machine Safeguarding

We strive to prevent injuries to workers by identifying and assessing the risks of injury to workers regarding production and other machinery and implementing risk reduction measures and risk management.

(7) Sanitation, Food, and Housing

We provide workers with access to clean toilet facilities, drinking water, and facilities or environments for cooking, storing, and eating hygienic food. When we provide workers with dormitories or other housing, provide them with a sanitary and safe personal space.

(8) Health and Safety Communication

We provide employees with information on health and safety in a language they can understand and implement education and training on health and safety.

3. Environment

(1) Environmental Permits and Reporting

All required environmental permits, permits, and registrations are to be kept current and to be reported as required.

(2) Pollution Prevention and Conserve Resources

We strive to minimize the generation of pollutants and wastes by identifying their sources and taking measures to reduce and reduce them.

We reduce the use of natural resources by changing processes, substituting substances, reusing, and recycling.

(3) Hazardous Substances Management

We identify chemicals posing a hazard to humans or the environment and label, safely handle, transport, store, use, recycle or reuse and disposal.

(4) Solid Waste

We properly manage and reduce solid waste (non-hazardous) and dispose or recycle it responsibly.

(5) Air Emissions

Air emissions of volatile organic chemicals and ozone-depleting substances are properly managed and disposed of as required prior to discharge. The status of air emission substances is monitored and managed.

(6) Materials Restrictions

Prohibited or restricted substances used in products and manufacturing processes are complied with the applicable laws and regulations in each country and the NOK Group Green Procurement Guidelines.

(7) Water Management

We manage water use and work to reduce it, monitor and manage wastewater, and comply with the laws and regulations of each country and region.

(8) Energy Consumption and Greenhouse Gas Emissions Reduction

Energy consumption and all relevant Scopes 1, 2, and Scope 3 greenhouse gas emissions shall be calculated and documented.

We establish and report against an absolute corporate-wide greenhouse gas reduction goal and improve energy efficiency and to reduce energy consumption and greenhouse gas emissions.

(9) Conservation of Biodiversity

We identify and consider the impact of our business activities on ecosystems and strive to conserve biodiversity and prevent deforestation.

4. Product Quality and Safety

(1) Securing the quality and safety of products and services

When supplying products and services to the market, we will ensure compliance with relevant laws and regulations in each country, compliance with standards, and quality and safety.

(2) Appropriate responses to product and service issues

In the event of a problem with a product or service provided, appropriate information disclosure, communication to the competent authorities, product recall, and safety measures for suppliers are implemented.

5. Ethics

(1) Business Integrity

We will act with integrity in all business interactions and will not tolerate corruption, including bribery, corruption, extortion and embezzlement, and association with anti-social forces.

(2) No Improper Advantage

Do not use bribes or other means to obtain unfair or improper benefits. Have monitoring, recordkeeping and enforcement procedures in place to prevent corruption and corruption.

(3) Disclosure of Information

All business transactions are conducted transparently and accurately reflected in our books and records. We disclose information related to labor, health and safety, environmental activities, business activities, financial condition and performance in accordance with applicable local laws and regulations and general industry practices. We do not alter records or misrepresent conditions or practices in our supply chain.

(4) Intellectual Property

We will respect intellectual property rights and handle them appropriately in accordance with the laws and regulations of each country and region.

(5) Fair Business, Advertising and Competition

We will maintain fair, transparent and free business, competition and fair trade.

(6) Protection of Identity and Non-Retaliation

Maintain programs that ensure confidentiality, anonymity, and protection of supplier and employee whistleblowers. Maintain communication processes that allow your employees to raise concerns without fear of retaliation.

(7) Conflict Minerals

We will work to ensure that we do not use minerals and their processed products, which are a source of funds for armed groups engaged in inhumane activities.

(8) Privacy

Protect the personal information of everyone you do business with, including

suppliers, customers, consumers, and employees. When we collect, store, process, transfer, and share personal information, we comply with legal and regulatory requirements for personal information protection and information security.

6. Information Security

(1) Information security measures

Take measures to protect against threats on computer networks and manage them so that they do not cause damage to your company or other companies.

(2) Prevention of Unauthorized Use of Confidential Information

Appropriately manage and protect confidential information received from customers, suppliers and other third parties to prevent unauthorized use.

7. Supply chain

(1) Supply Chain Initiatives

Communicate the requirements of these Guidelines to suppliers and encourage them to comply with these Guidelines or equivalent standards.

In order to confirm the status of the implementation of these Guidelines and to promote mutual communication, the Company may request the provision of information as necessary.

In addition, these Guidelines may be revised without prior notice due to changes in social conditions or requests from customers.

Date	Revision
September, 2024	Revision of “CSR Procurement Guidelines” to “NOK Group Sustainability Procurement Guidelines”