



# TSUBAKI NAKASHIMA

## SUPPLIER CODE OF CONDUCT

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Our Supplier Code of Conduct provides the framework for success in dealing with Tsubaki Nakashima, including its single entities and plants (from now on: Tsubaki Nakashima), or with any sub-supplier you do business with when serving Tsubaki Nakashima.

It forms an integral part of our overall contractual relationship with you, and it is important that you understand and abide by it.

### **Driving Integrity In Business Dealings**

At Tsubaki Nakashima, we set high ethical standards for ourselves and our suppliers. Tsubaki Nakashima's suppliers, vendors, consultants, independent contractors, agents, or any other third party engaged to carry out any action on our behalf ("suppliers") must always act with integrity by obeying the letter and spirit of laws, regulations, standards (together, "laws") and Tsubaki Nakashima policies that apply to them, wherever they do business.

They should, in turn, also require that their suppliers abide by the requirements of this Code.

The requirements of this Code are in addition to the requirements set out in any agreement or other set of terms and conditions that apply to your relationship with Tsubaki Nakashima.

While the laws that apply to our suppliers are numerous and vary by jurisdiction, some important principles that must be followed include:

### **Antitrust and Competition Laws**

We compete vigorously while respecting free and fair competition. We expect the same of our suppliers. Suppliers must comply with all applicable antitrust and competition laws and cannot engage in any act that improperly reduces competition. Examples of such prohibited acts include agreeing with competitors to fix prices, set discounts or terms of sale, limit production, divide markets, allocate customers, coordinate bidding activities, boycott customers and suppliers, fix employee compensation, or refrain from hiring each other's employees. In some jurisdictions, the mere exchange of sensitive commercial information is illegal.

*Read Tsubaki Nakashima's Code of Business Ethics.*

- ✓ Suppliers should know the laws that apply to them and follow the letter and spirit of such laws
- ✓ Suppliers must not collude with competitors to limit competition
- ✓ Suppliers are strictly prohibited from offering bribes to government officials
- ✓ Suppliers must not violate sanctions and export control laws
- ✓ Suppliers must cooperate with Tsubaki Nakashima in identifying the source of certain minerals used

Tsubaki Nakashima's suppliers must always act with integrity by obeying the letter and spirit of laws and Tsubaki Nakashima policies that apply to them, wherever they do business.

To report suspected violations of Tsubaki Nakashima's Supplier Code of Conduct, please contact your Tsubaki Nakashima reference or write to [Ombudsman@tsubaki-nakashima.com](mailto:Ombudsman@tsubaki-nakashima.com)



### **Anti-Corruption and Anti-Bribery Laws**

Our suppliers must follow all applicable laws that prohibit the giving of anything of value to any person or entity to obtain an improper business advantage, as well as laws that require keeping accurate books and records.

Suppliers must follow anti-corruption and anti-bribery laws in all cases and must be particularly cautious when interacting with government officials.

Regardless of the specific laws or established business practices of any jurisdiction in which we or our suppliers operate, Tsubaki Nakashima prohibits the making of “facilitation payments” or “grease payments” (i.e. payments involving small sums to low-level government officials to obtain routine services to which a person or company would otherwise be legally entitled).

### **Gifts and Entertainment**

Any gift or entertainment offered to a Tsubaki Nakashima employee to induce or unduly influence a business decision (e.g. awarding business to the supplier, offering favorable terms) is strictly prohibited. If you wish to provide a Tsubaki Nakashima employee with a gift or entertainment, it must be reasonable, given only occasionally, and of modest value.

In turn, we prohibit Tsubaki Nakashima employees from soliciting gifts and entertainment from suppliers. If you are solicited by a Tsubaki Nakashima employee for a gift or entertainment, you should report it promptly.

### **Sanctions and Export Control Laws**

We expect our suppliers to comply with all applicable export control laws, as well as laws that prohibit or restrict business relationships with sanctioned countries, entities, persons, or industry sectors.

### **Sourcing Materials from Areas of Conflict**

As a public company, we are required by law to track and disclose our use of minerals such as gold, tin, tungsten, and tantalum originating in several designated countries.

When requested, our suppliers are required to provide data in the form we request, regarding their use of such minerals in their products. Furthermore, suppliers may be required to request similar information of their suppliers to establish the origin of such minerals, and to provide their findings to us.

### **Driving Integrity Within Our Workplace**

Fairness, inclusivity, safety, and sustainability are values we hold dear at Tsubaki Nakashima and which we strive to achieve in our operations. We expect the same of our suppliers.

### **Respect for Labor Standards and Human Rights**

Tsubaki Nakashima is committed to complying with all applicable labor, employment, and human rights laws, and we demand the same commitment from our suppliers. Our suppliers must therefore follow local laws on minimum wages, benefits, overtime, work hours, and working conditions.



Our suppliers are never permitted to use forced or compulsory labor. Suppliers are also prohibited from using underage labor, as defined by local labor law, unless it is part of a government-approved training or apprenticeship program that clearly benefits the participants. Suppliers should also respect employee freedom of association and choice with respect to the issue of unions or works council affiliation, consistent with local laws.

**Tsubaki Nakashima is committed to complying with all applicable human rights laws, and we demand the same commitment from our suppliers.**

- Suppliers must respect the rights of their employees. They must avoid the use of forced and child labor.
- Suppliers are expected to prohibit workplace harassment as well as improper discrimination.
- Suppliers must maintain a safe and healthy workplace for their employees.

We expect suppliers to follow environmental laws and to regularly monitor their environmental impact.

### **Diversity and Inclusion**

We believe that diversity is a source of strength. That is why we expect our suppliers to prohibit workplace harassment and discrimination based on sex, race, ethnic background, religion, disability, or any other personal characteristic protected by law.

### **Health and Safety**

Our suppliers are required to comply with all applicable health and safety laws. This includes the duty to maintain a safe and healthy workplace with access to personal protective equipment for employees and to have a procedure for dealing with injuries that require medical treatment.

### **Environmental Responsibility**

We are committed to environmental responsibility. We expect our suppliers to meet or exceed applicable environmental laws, and to be committed to minimizing the impact of their operations on the environment. Suppliers should also seek to regularly evaluate and monitor the impact of their business activities on the environment, manage and reduce the use of energy and other resources, minimize waste and emissions, recycle materials at every stage of the product life cycle, store hazardous and combustible materials in a safe and legal manner, and reduce environmental impact through design and innovation.

We encourage certification to ISO 14001 environmental standards or any successor standards, and encourage our suppliers to develop a plan to achieve such certification status. Similarly, we encourage our suppliers to minimize their water and energy consumption. Materials from our suppliers are required to be REACH (Registration, Evaluation, Authorization and Restriction of Chemicals) compliant.

*Read Tsubaki Nakashima's Health, Safety and Environmental Policy.*



### **Driving Integrity Through Our Actions**

Our employees are required to demonstrate their integrity each day through their actions. They are also required to speak up if they become aware of a situation in which someone may have failed to live up to our ethical standards. Our suppliers are required to do the same if they learn of a violation of this Code.

### **Conflicts of Interest**

To ensure that relationships with our business partners are based on integrity and sound business judgment, we require our employees to promptly disclose conflicts of interest. Similarly, we expect any supplier to inform us promptly if it has a family or close personal relationship with the Tsubaki Nakashima employee making or influencing a business decision that may benefit the supplier.

### **Protection of Information and Intellectual Property**

As a supplier, Tsubaki Nakashima or its business partners may provide or give you access to intellectual property or confidential or personal information (“Information”). You acknowledge that you will maintain and enforce appropriate safety and physical security procedures with respect to the access and maintenance of such Information that are at least equal to industry standards for such types of Information; and which provide reasonably appropriate technical and organizational safeguards against accidental or unlawful destruction, loss, alteration, or unauthorized disclosure or access of Information.

Additionally, you will never sell such information, never disclose it without Tsubaki Nakashima’s consent, ensure you use Information only for the purposes of your provision of products and/or services to Tsubaki Nakashima, and promptly return or destroy such information at the end of our relationship (or when it is no longer needed).

If you become aware that confidential or personal information of Tsubaki Nakashima’s, its employees, or business partners has been disclosed, or that Tsubaki Nakashima’s intellectual property rights have been violated; you must notify your primary Tsubaki Nakashima point of contact immediately.

### **Driving Integrity With Good Communication**

As a supplier to Tsubaki Nakashima, we ask that you uphold the values of honesty and integrity embedded in this Code. We note that violating certain elements of this Code is a violation of the law in the jurisdictions in which we operate. Tsubaki Nakashima does not tolerate any violations of the law by its suppliers.

### **Reporting Concerns and Non-Retaliation**

We require you to take steps and ensure your employees understand this Code and comply with its requirements.

We expect our suppliers, and their employees, to speak up promptly if they learn of a violation of the law or this Code (while working for Tsubaki Nakashima), either by the supplier itself or by Tsubaki Nakashima employees.



You can always make the report to the Tsubaki Nakashima employee who is your primary contact, or the Tsubaki Nakashima's Ombudsman.

Reports to them can be made anonymously in most countries.

Depending on the circumstances, Tsubaki Nakashima may take a range of actions to remediate a failure by a supplier to comply with this Code, for example by suspending business with the supplier until corrective measures have been implemented or by terminating the relationship with the supplier.

### **Conflict with Other Requirements**

If any requirement in this document conflicts with the requirements of the Tsubaki Nakashima Global Supply Chain Requirements or any other requirements of Tsubaki Nakashima suppliers (e.g. under any agreement in place between you and Tsubaki Nakashima), the requirements of this document shall prevail.

- Employees of suppliers must be familiar with this Code and comply with its terms.
- Suppliers must speak up if they learn of a violation of this Code or the law.
- Suppliers are prohibited from retaliating against any employee who raises a good-faith compliance concern.