



# NPR-RIKEN Supplier CSR Guidelines

March, 2024

**NPR-RIKEN CORPORATION**

# < Introduction >

It is becoming increasingly important internationally for companies to recognize and fulfill their own social responsibilities. The NPR-RIEN group's philosophy incorporates our determination to respect the positions of all stakeholders, including shareholders, suppliers, employees, and local communities, not merely as an economic entity that pursues profits through competition, and to meet their expectations and fulfill our duties as a member of society.

In promoting CSR activities, the NPR-RIKEN group is committed to fulfilling its social responsibilities in various fields, including environmental and safety fields. We have also engaged in purchasing activities with our business partners based on the support and efforts of our stakeholders.

With the increasing expectations for CSR efforts from society, we have issued the "NPR-RIKEN Supplier CSR Guidelines" since we believe it is important to ask our suppliers for their understanding and cooperation in promoting CSR.

We would appreciate your understanding of the intent of this guidelines and positive promotion of CSR activities.

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Note: In the following text, even the content showing the company, Riken Corporation or Nippon Piston Ring Co., Ltd., it is construed as "NPR-RIKEN."

## **NPR-RIKEN would like to ask all our suppliers to carry out the following guidelines.**

### **1 Compliance**

#### **1.1 Compliance with Laws**

Comply with applicable laws and regulations of each country and region. Establish and implement policies, structures, code of conduct, reporting system, and training, etc. for thorough implementation of compliance

#### **1.2 Complying with Competition Laws**

Do not engage in illegal acts against the competition laws and regulations of each country and region including private monopolies, unreasonable restraint of trade (cartel, collusive bidding, etc.) or unfair trade practices.

#### **1.3 Anti-corruption**

Comply with applicable laws and regulations concerning political donations or contributions and strive to build transparent and fair relationships with political parties or administrative bodies.

Do not engage in giving or receiving presents, entertainment or money with customers, suppliers and other business partners in order to acquire or maintain unjust interest or wrongful preferential treatment.

#### **1.4 Management and Protection of Confidential Information**

Obtain personal information concerning customers, other business partners, and employees as well as confidential information concerning customers and other business partners only by legitimate means.

Manage and protect such information in a secure manner, and use the information only within the scope allowed.

In the event of information security incidents and accidents, immediately report to NPR-RIKEN staff.

#### **1.5 Export Controls**

Comply with laws and regulations concerning export controls, thoroughly implement such controls and establish management as confirming whether products, technology or other exports are subject to regulations,

and prepare and provide documentation of such confirmation. Implement with appropriate export procedures and controls when exporting technologies and goods regulated by the laws and regulations of each country and region.

### **1.6 Protection of Intellectual Property**

Protect the intellectual property rights possessed by your company or attributed to your company. Do not illegally acquire, use or infringe the intellectual property of any third party.

### **1.7 Prevention of Antisocial Influences**

Block any relationship with antisocial forces, and exclude the anti-social demands decisively. Inform to the authorities as necessary.

## **2 Human Rights and Labor**

### **2.1 No Discrimination**

Do not discriminate on the grounds of race, ethnicity, nationality, religion, or sex with regards to all aspects of employment (e.g., application, hiring, promotion, wages, dismissal, retirement, job assignment, disciplinary punishment).

### **2.2 Respect for Human Rights**

Do not tolerate any form of harassment in the workplace on the basis of race, ethnicity, nationality, religion, gender, etc.

Do not do business with anyone that benefits from inhumane labor practices.

### **2.3 Prohibition of Child Labor**

Do not tolerate child labor that employs children below the minimum working age under the laws and regulations of each country or region.

### **2.4 Prohibition of Forced Labor**

Ensure that all work is voluntary and employees are free to leave work or terminate their employment. Do not engage in forced labor.

### **2.5 Wages**

Pay wages in compliance with the laws and regulations of each country or region, including those relating to minimum wages, overtime hours, and deductions from wage, piece rates and other elements of compensation.

### **2.6 Working Hours**

Comply with the laws and regulations of each country and region

regarding the determination of working hours (including overtime) of employees, granting of holidays and annual paid holidays, and other matters.

### **2.7 Dialogue and Consultation with Employees**

Conduct dialogue and consultations with employees' representatives or employees.

Recognize the employee's right to freely associate or not to associate complying with the laws and regulations of each country and region.

### **2.8 Safe and Healthy Working Environment**

Place the highest priority to ensuring safety and health of employees in the course of their duties, and strive to prevent accidents and injuries.

### **2.9 Responsible Mineral Procurement**

Investigate the supply chain regarding the use of minerals from conflict areas and high-risk areas, and work to avoid using them if the use of minerals with risks, such as funding for armed forces and infringing human rights, is found.

Call off transaction with anyone who does not respond to a survey.

## **3 Environment**

### **3.1 Environmental Management**

In order to promote a wide range of environmental activities, comply with the laws and regulations of each country and region, establish a company-wide management system that will carry out continuous improvement.

### **3.2 Reduction of Greenhouse Gas (GHGs) Emissions**

To contribute to the prevention of global warming, manage GHGs emissions in our business activities and promote reduction activities. Make effective use of energy.

### **3.3 Preventing Air, Water, Soil, and Other Environmental Pollution**

Comply with the laws and regulations of each country and region concerning the prevention of pollution of air, water, soil, etc.

Monitor and reduce pollutants continuously to prevent environmental pollution.

### **3.4 Resource Conservation and Waste Reduction**

Comply with laws and regulations in each country and region related to the proper disposal and recycling of waste, and work to reduce the

amount of final disposal of waste through the effective use of resources.

### **3.5 Management of Chemical Substance**

Manage chemicals posing risks to the environment safely.

Ensure that prohibited substances are not used in products and production processes etc.

In addition, report appropriately to governmental agencies as required by laws and regulations.

### **3.6 Preserving Biodiversity**

Take initiatives that will conserve biodiversity based on understanding of the relationship between biodiversity and business activities including provision of products and services to customers, and procurement of parts, materials, and services from suppliers.

Strive to conserve biodiversity in local communities through activities that contribute to society, such as community cleanup and conservation of community forests.

## **4 Safety and Quality**

### **4.1 Ensuring Safety of Products and Services**

Produce and provide products and services that comply with safety laws and regulations of each country and region.

### **4.2 Ensuring Quality of Products and Services**

Establish and operate a company-wide system to ensure quality. Immediately report to NPR-RIKEN staff if a quality defect of your company could result in damage to the NPR-RIKEN group.

## **5 Business Continuity**

### **5.1 Preparing for Disasters**

For earthquakes, fires, tsunamis, and floods that could damage the management resources and human lives, check the local government hazard maps, your company's equipment and facilities where there is a risk of a fire.

### **5.2 Disaster Countermeasures**

Implement various measures to minimize damages caused by disasters, including earthquake reinforcement, preventing scattering of broken glasses, installing fire extinguishers and fire extinguishing equipment,



establishment of emergency evacuation routes and places, and other measures to inform employees.

### **5.3 Development of Recovery Measures**

Establish an emergency contact network and clarify roles in the event of a disaster. Prepare equipment, materials, emergency food, etc. that are necessary for recovery to the extent possible.

## **6 Contributing to Local Communities**

For the further development of local communities, focus on the social issues facing each community, and work with local communities to contribute to the resolution of these issues.

## **7 Information disclosure**

Disclose useful information to your stakeholders in an accurate and timely manner, including information related to management, finance, environmental conservation, society and social contribution, and strive to maintain and develop sound relationships with your stakeholders through open and fair communication.

## **8 Expansion to Your Suppliers**

Apply these guidelines to your suppliers and work to promote CSR awareness among your suppliers.

## **9 Checking the Status of Initiatives**

NPR-RIKEN may ask our suppliers to provide information and/or visit their office or plant in order to verify the status of their CSR initiatives.

In the event of illegality, improper conduct or discrimination, please contact our Compliance Consultation Office.

## **10 Reference**

The NPR-RIKEN Supplier CSR Guidelines are based on the CSR Guidelines for Suppliers issued by the Japan Auto Parts Industries Association (JAPIA).

## **11 Contact**

If you have any questions, please contact the office where this guideline was distributed or the following departments.

Riken Corporation  
Nippon Piston Ring Co., Ltd.

Global Procurement Division  
Global Procurement Department  
Production Control Department