

# **Our Sustainability Guidelines**

Second edition

December 2024

TOKAI RIKA CO., LTD.

## Preface

Since founded in 1948, TOKAI RIKA has contributed to the comfort, security, and safety of cars, keeping the founder's motto in mind: "Do what others won't do"

In 1998, the 50th anniversary of the foundation, Tokai Rika Group's business philosophy was established. The key phrases are "contribution to a higher quality of life", "nurture of spirit of originality, enthusiasm and innovative challenges", and "honor of the language and spirit of the law and the ethics".

In September 2015, 193 United Nations member states adopted the Sustainable Development Goals (SDGs) as goals to be accomplished by 2030.

We believe our mission is to respond to social issues in compliance with laws and their spirit.

We revised our Sustainability Guidelines in response to the Board of Directors' resolution in September 2024 to review materiality issues.

This document is intended to share our basic idea about sustainability across the Tokai Rika Group for systematic implementation of sustainability activities.

Please use this information when you have any doubts about sustainability in your work.

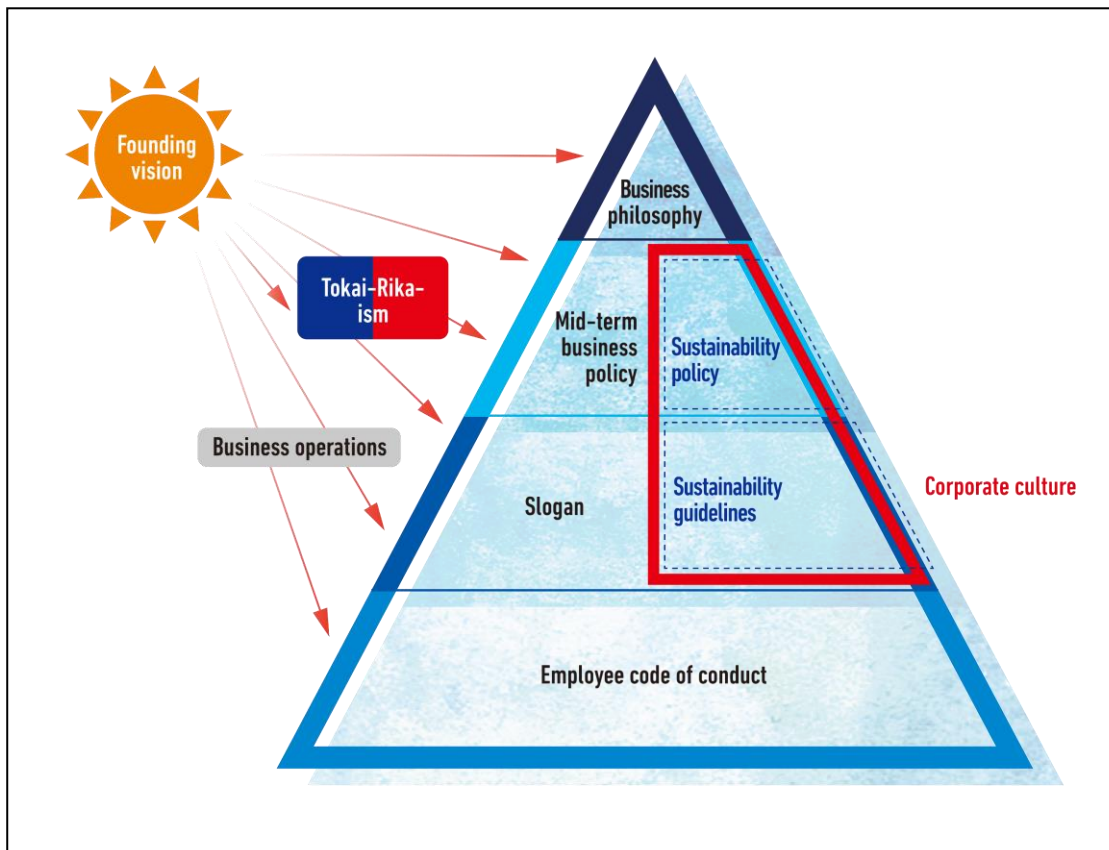
Hiroyoshi Ninoyu

President of Tokai Rika

December 2024

## 1. Position of the Guidelines

This document explains our sustainability policy based on the business philosophy.



## 2. Business Philosophy

1. To create products that satisfy customers and to contribute to a higher quality of life.
2. To build an energetic and promising business organization by nurturing a spirit of originality, enthusiasm and innovative challenges.
3. To honor the language and spirit of the law and the ethics of every nation, and to work in harmony with nature and local communities.

## 3. Sustainability Policy

Tokai Rika Group contributes to the realization of a sustainable society with all stakeholders through fair business operations in harmony with nature and local communities in compliance with laws and ethics, as stated in our business philosophy.

#### **4. A Call to Thought and Action**

- 1. We believe that safety and quality come first.**
- 2. We will kaizen continuously using “go and see.”**
- 3. In the spirit of “doing what others will not do,” we will take on challenges and develop new corporate value.**
- 4. We will demonstrate maximum individual efforts to realize superior results as an organization.**
- 5. We pride ourselves on being honest, truthful, and sincere, and we will work to gain the trust of our customers and partners.**
- 6. We will always remember to be grateful and humble, and we will strive for coexistence and shared prosperity.**

#### **5. Employee code of conduct**

- 1. Respect for individuals**
- 2. Compliance with social rules**
- 3. Asset and confidentiality management**
- 4. Respect for intellectual property rights**
- 5. Customer relationships**
- 6. Safety**
- 7. Quick and transparent communication**
- 8. Open and fair trade**
- 9. Protection of natural environment**
- 10. Contribution to local communities**
- 11. Gifts and entertainment**

#### **6. What is sustainability?**

Sustainability refers to social, not corporate, sustainability. While Corporate Social Responsibility (CSR) is related to responsiveness, sustainability is related to attitudes toward future generations. It is not enough for companies only to respond to social demands; it is necessary to have the perspective that businesses can contribute to sustainable society.

## 7. Sustainable Development Goals (SDGs)

The SDGs, adopted by 193 United Nations member states in September 2015, are a set of global commitments to be met by 2030. “Sustainable development” means advancement that is required for maintaining our society for future generations, as explained earlier.

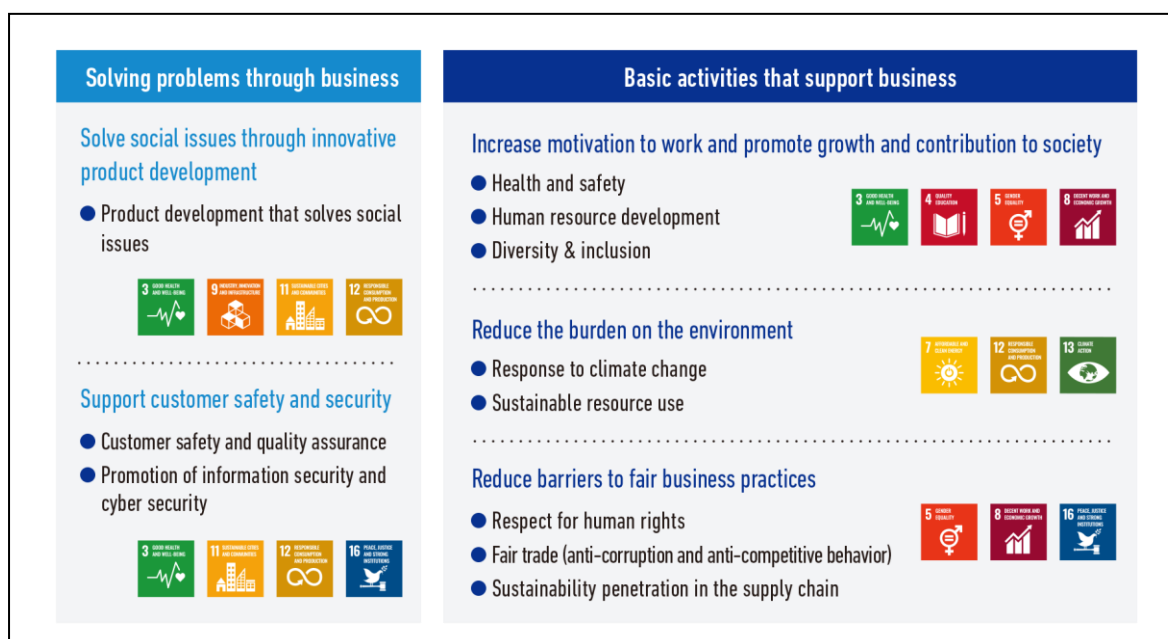
The SDGs declare that “no one will be left behind” and consist of 17 goals and 169 targets that cover issues including poverty, starvation, health, and education.

Not only nations but also companies are asked for contribution.



## 8. Materiality

In September 2024, through a resolution of the Board of Directors, we have revised five key themes and 11 key issues as the most priority social issues (materiality) based on importance for us and the interest of our stakeholders.



## **9. Our Commitments for Sustainable Society**

### **(1) Compliance with laws and ethics**

**(A Call to Thought and Action 5 and 6; and Employee Code of Conduct 2, 4, 8 and 11)**

- We comply with the laws, ordinances, rules, their spirit and ethics of a country or region.
- In accordance with the Antitrust Compliance Manual, we do not engage in any conduct that violates the competition laws of any country.
- In accordance with the Export Transaction Control Guidelines, we thoroughly manage export transactions for products and technologies.
- In accordance with the Anti-Bribery Compliance Manual, we do not give or accept any entertainment, gifts, or money to or from customers, suppliers or other business partners for the purpose of obtaining or maintaining undue advantage or unfair preferential treatment.

### **(2) Respect for human rights**

**(A Call to Thought and Action 4 to 6; and Employee Code of Conduct 1)**

- In accordance with [the Human Rights Policy](#), we respect human rights and conduct human rights due diligence (identification, prevention, and mitigation of adverse human rights impacts).
- In accordance with the Diversity Declaration, we do not discriminate on the basis of characteristics including race, gender, age, nationality, disability, religion, creed, status, property, place of origin, sexual orientation, and personality.
- We do not permit labor by children under the working age and forced labor under any circumstances including passport confiscation.

### **(3) Contribution to better society**

**(A Call to Thought and Action 3, 5 and 6; and Employee Code of Conduct 5)**

- We pursue customer- and user-oriented products, services, and work quality and tackle social challenges with a pioneering spirit.

### **(4) Community and social participation**

**(A Call to Thought and Action 6; and Employee Code of Conduct 10)**

- We involve ourselves in community contribution activities and encourage employees to participate in volunteer or social events through interaction with locals.

### **(5) Comfortable workplace**

**(A Call to Thought and Action 3 and 6; and Employee Code of Conduct 1 and 6)**

- We protect the health of employees, improve their motivation in life and work, and support them to exercise their full potential.

- We develop human resources by organizing required training programs.

## **(6) Conservation of natural environments**

**(A Call to Thought and Action 6; and Employee Code of Conduct 9)**

- We reduce the environmental impact of our corporate activities in accordance with the [Environmental Policy](#).
- We observe the laws and regulations of a country or region, keep promises with customers, and set voluntary targets to prevent environmental pollution.
- We decrease environment impacts of our business operations by reducing greenhouse gas emissions and waste, saving or recycling resources, controlling chemicals, adopting or developing new environmental technology, using renewable energy sources, and conserving biological diversity.
- We set up an environmental committee for continuous improvement activities.

## **(7) Information disclosure**

**(A Call to Thought and Action 5; and Employee Code of Conduct 7)**

- We communicate with our stakeholders such as customers, suppliers, communities, shareholders, investors and employees to provide company information for them as needed.

## **(8) Risk management**

**(A Call to Thought and Action 1 and 2; and Employee Code of Conduct 3)**

- We prevent risks such as cyberattacks, information leakage, and natural disasters and minimize impacts if they occur.

## **(9) Implementation of the commitments**


- We build an effective implementation system at the initiative of management.
- We also urge our supply chain partners to meet the commitments.


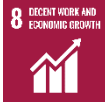






## **10. Referenced Guidelines**

ISO 26000:2010 (ISO 26000 is a guidance standard, not a certification one like ISO 14001.)









GRI Standards (2016)

## **11. Comparison with SDGs**

Commitments	SDG targets		
(1) Compliance with laws and ethics		16.3	Promote the rule of law at the national and international levels, and ensure equal access to justice for all
		16.5	Substantially reduce corruption and bribery in all its forms

(2) Respect for human rights	 	<p>5.1 End all forms of discrimination against all women and girls everywhere</p> <p>8.5 By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value</p> <p>8.7 Take immediate and effective measures to eradicate forced labor, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labor, including recruitment and use of child soldiers, and by 2025, end child labor in all its forms</p> <p>8.8 Protect labor rights and promote safe and secure working environments for all workers, including migrant workers, particularly women migrants, and those in precarious employment</p>
(3) Contribution to better society	   	<p>3.6 By 2020, halve global deaths from road traffic accidents</p> <p>9.4 By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities</p> <p>9.5 Enhance scientific research, upgrade the technological capabilities of industrial sectors in all countries, in particular developing countries, including, by 2030, encouraging innovation and substantially increasing the number of research and development workers per 1 million people and public and private research and development spending</p> <p>11.2 By 2030, provide access to safe, affordable, accessible and sustainable transport systems for all, improving road safety, notably by expanding public transport, with special attention to the needs of those in vulnerable situations, women, children, persons with disabilities and older persons</p> <p>12.8 By 2030, ensure that people everywhere have the relevant information and awareness for sustainable development and lifestyles in harmony with nature</p>
(5) Comfortable workplace	 	<p>3.9 By 2030, substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination</p> <p>4.3 By 2030, ensure equal access for all women and men to affordable and quality technical, vocational and tertiary education, including university</p> <p>4.4 By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational</p>



			skills, for employment, decent jobs and entrepreneurship
(6) Conservation of natural environments		3.9	By 2030, substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination
		6.3	By 2030, improve water quality by reducing pollution, eliminating dumping and minimizing release of hazardous chemicals and materials, halving the proportion of untreated wastewater and substantially increasing recycling and safe reuse globally
		6.4	By 2030, substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity
		7.2	By 2030, increase substantially the share of renewable energy in the global energy mix
		7.3	By 2030, double the global rate of improvement in energy efficiency
		12.2	By 2030, achieve the sustainable management and efficient use of natural resources
		12.5	By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse
		13.1	Strengthen resilience and adaptive capacity to climate related hazards and natural disasters in all countries
		15.1	By 2020, ensure the conservation, restoration and sustainable use of terrestrial and inland freshwater ecosystems and their services, in particular forests, wetlands, mountains and drylands, in line with obligations under international agreements
		15.5	Take urgent and significant action to reduce the degradation of natural habitats, halt the loss of biodiversity and, by 2020, protect and prevent the extinction of threatened species
(8) Risk management		11.b	By 2020, substantially increase the number of cities and human settlements adopting and implementing integrated policies and plans towards inclusion, resource efficiency, mitigation and adaptation to climate change, resilience to disasters, and develop and implement, in line with the Sendai Framework for Disaster Risk Reduction 2015 2030, holistic disaster risk management at all levels
		13.1	Strengthen resilience and adaptive capacity to climate related hazards and natural disasters in all countries

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