

SUPPLIER CODE OF CONDUCT



TYM CORPORATION

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I. Overview

1. Purpose of the code of conduct

TYM strives to coexist with its suppliers and achieve shared growth at the same time. In recent times, the agricultural machinery industry has been introduced of an all-round innovation through technology convergence, such as environmentally friendly technology, digitalization, mobility service, and the spread of IoT technology. TYM has established the code of conduct for suppliers to build a sustainable supply chain which recommends all suppliers to gradually comply with laws and regulations applicable to corporate management activities and operate within the appropriate boundaries and compliance to the fields of ethics, environment, labor/human rights, safety/health, and management system. TYM expects its suppliers to comply with this code of conduct to grow and transform into a company that is more trusted by society and aims to achieve shared growth.

2. Subject to the code of conduct

All suppliers that have signed contracts to provide goods and services to TYM or for other transactions are encouraged to comply with this code of conduct.

3. Responsibilities and roles of suppliers

All of TYM's suppliers shall consider the suggestions in this code of conduct in their management decisions and business operations. TYM and third party agencies commissioned by TYM may inspect and conduct due diligence within the scope of laws and social norms to ensure that their suppliers comply with the requirements set forth in this code of conduct, and improvements can be recommended for identified risks. Suppliers shall establish and implement risk mitigation plans based on mutual consultation on improvements. This code of conduct does not specify all performance obligations for the suppliers. The provisions are not compulsory and can be supplemented and improved regularly for the establishment of a sustainable supply chain.

II. Ethical Management

1. Transparent management and prevention of corruption

- i. Executives and staff members of suppliers shall not use their superior business status to take bribes, engage in embezzlement, mediation, solicitation, etc., and shall not intend unfair compensation by using weaknesses or defects.
- ii. Executives and staff members of suppliers shall comply with the integrity standards of each country in which the business is conducted.

2. Prevention of conflicts of interest

- i. Suppliers shall be responsible for conducting business in accordance with the established business regulations.
- ii. Executives and staff members of suppliers shall not propose, provide, or authorize any other means for unfair or inappropriate profit. This includes causing damage to the company for personal interests or pursuing personal interests through a third party.

3. Prevention of unfair trade

- i. Suppliers shall not engage in acts that may hinder fair competition through unfair transactions, such as abusing their market dominance or trading status.

- ii. Suppliers shall not agree or promote an act of unfairly restricting competition with other business operators regarding the price, supply volume, transaction area, transaction conditions, etc. of goods or services.
 - iii. Suppliers shall not obtain information from competitors, partners or other organizations in an unauthorized manner and shall not disclose or use information obtained in an unauthorized manner by the company or any third party.
 - iv. Suppliers shall comply with the laws and standards related to fair trade of each country in which the business is conducted.
4. Prevention of counterfeiting and private distribution of components
- i. Suppliers shall not produce or use unauthorized raw materials or components and shall not use or sell forged raw materials or components.
 - ii. Suppliers shall verify periodically whether forged raw materials and components are used or produced in workshops and if so, they shall notify TYM or their customers immediately.
 - iii. Suppliers shall endeavor to ensure that raw materials and components produced are used and distributed according to business purpose or contract conditions.
5. Information protection
- i. Suppliers shall not disclose trade secrets or information that require security from customers and business partners without permission and shall not use information obtained during business operation without prior permission or approval.
 - ii. Suppliers shall respect intellectual property rights shared by customers and business partners and shall take appropriate measures to protect intellectual property rights held by suppliers and verify periodically to prevent infringement.
 - iii. Suppliers shall collect and use personal information within the legitimate scope, regarding collection, purpose, retention and use period, and shall obtain prior consent if the above matters are changed.
6. Responsibility for purchasing materials
- i. Suppliers shall establish a process that enables the identification of the origin of all minerals and raw materials, including conflict minerals contained in the product. (Conflict minerals: four major minerals produced in conflict zones in Africa: tin, tungsten, tantalum, gold, etc.)
 - ii. When dealing with minerals and raw materials, suppliers shall try to verify whether mining and processing of the minerals and raw materials are related to issues such as human rights violations, ethical violations, and negative environmental impacts.

III. Environmental Management Division

- 1. Establishment of an environmental management system
 - i. Suppliers shall comply with the environmental laws and regulations of the country in which the business is conducted and obtain and maintain environmental permits as necessary.
 - ii. In order to mitigate the environmental impact of business operation, suppliers shall operate an environment management system consisting of organizational structure, plan, procedure, and performance inspection. (Environmental management system: ISO 14001 standard, etc.)
- 2. Energy use and greenhouse gas emissions management

- i. Suppliers shall establish a system to measure energy use and greenhouse gas emissions.
 - ii. Suppliers shall strive to reduce energy consumption and greenhouse gas emissions.
3. Water resource management
 - i. Suppliers shall establish a system to measure and manage water usage and wastewater emissions.
 - ii. Suppliers shall make efforts to reduce water use and increase recycling. In addition, discharged water pollutants shall be managed according to legal or higher internal standards.
4. Air pollutant management
 - i. Suppliers shall establish a system to measure air pollutant emissions.
 - ii. Suppliers shall endeavor to minimize the emission of air pollutants through appropriate methods and establish and comply with internal standards for air pollutants emitted.
5. Waste Management
 - i. Suppliers shall establish a system to measure waste emissions.
 - ii. Suppliers shall minimize waste disposal that is reclaimed and incinerated in an appropriate manner. In addition, efforts shall be made to increase waste reuse, recycling, and recovering discarded raw materials and components.
 - iii. Suppliers shall consider the entire life cycle of the products and endeavor to minimize the residual oils that affect the environment when reclaiming or incinerating waste.
6. Chemical substance management
 - i. Suppliers shall endeavor to ensure safe management of chemicals handled during transportation, storage, use and disposal, and shall indicate or disclose information identifying the hazards of chemicals handled during the business operation. (Chemical Safety Agency; MSDS)
 - ii. Suppliers shall endeavor to verify whether raw materials and components to be procured, produced, sold, and distributed contain substances harmful to the human body or the environment. (Guidelines for restricting the use of harmful substances; RoHS, etc.)

IV. Safety/Health Division

1. Establishment of safety and health management system
 - i. Suppliers shall comply with the laws and regulations related to safety and health of each country in which the business is conducted and obtain and maintain all safety and health-related licenses necessary for the operation of the business.
 - ii. Suppliers shall operate safety and health management systems such as organization, planning, procedures, and results to prevent safety and health accidents caused by business operation.
2. Safety management of machinery, equipment, and facilities
 - i. Suppliers shall regularly verify and evaluate the safety of hazardous machinery, equipment, and facilities in the workplace.
 - ii. Safety devices, protective walls, emergency devices, personnel, etc. shall be installed,

deployed, and maintained to prevent safety accidents caused by the use of hazardous machinery, equipment, and facilities.

- iii. Suppliers shall provide Personal Protective Equipment (PPE) to protect the safety of individual employees. Personal Protective Equipment (PPE) shall be managed under proper maintenance to ensure its appropriate function for executives and employees to use them whenever necessary.

3. Emergency Response

- i. Suppliers shall develop plans to respond to emergency situations such as natural disasters, mass infections, fires, and safety accidents. In addition, a manual consisting of reporting, response, and follow-up measures shall be prepared in case of an emergency.
- ii. In the event of an emergency, escape routes, guidance lights, fire detectors, alarms, and firefighting facilities shall be equipped, and regular inspection shall be conducted to ensure the proceedings of a normal operation.

4. Accident management

- i. Suppliers shall establish a system to measure the status of accidents such as disasters or diseases that impact regular operation.
- ii. In the event of an accident or a spread of a serious disease within workplace, suppliers shall immediately stop the work and take necessary measures, such as evacuating the employees.
- iii. In the event of an accident or a spread of a serious disease within workplace, suppliers shall investigate the cause of the occurrence and make efforts to come up with improvement measures.

5. Safety diagnosis

- i. Suppliers shall regularly conduct safety and risk assessments of workplace to prevent employees from being exposed to accident risks or harmful factors. The result of the evaluation shall be disclosed to the executives and employees, and related machinery, equipment, or facilities shall be improved according to the result.
- ii. Suppliers shall provide information on accident risk and harmful factors in the workplace based on the result of the safety risk assessment and furnish the information so that executives and employees can easily understand and access them.
- iii. Suppliers shall not place pregnant women, minors, etc. under work that involves high risk in regards to safety and health, and shall make efforts to create a working environment that socially vulnerable executives and employees such as the disabled and migrant workers have no difficulty in working.

V. Management Systems Division

1. Recommended disclosure of corporate statement

- i. It is recommended that suppliers disseminate this code of conduct or their willingness to fulfill their social responsibilities internally and externally.

2. Appointment of a person in charge

- i. Suppliers shall appoint a person in charge of social responsibility activities, and a manager to supervise the establishment and implementation of the activity plan.
 3. Risk examination
 - i. Suppliers shall strive to identify possible risks in the fields of ethics, environment, workforce, and safety and health, and if significant risks are found, suppliers are expected to come up with and implement mitigation improvement measures.
 4. Education and communication
 - i. Suppliers shall train the executives and employees on the matters presented in this code of conduct and share the implementation plan and performance results etc.
 5. Information Management
 - i. Suppliers shall accurately record and manage information on ethics, environment, labor rights, health and safety and risk.
 - ii. If an important client, that has signed contracts with the supplier, requests the disclosure of the information, suppliers shall endeavor to disclose them transparently to the extent that does not violate the law.
 6. Operation of grievance system
 - i. Suppliers shall operate a grievance system that allows employees to identify or recognize violations of laws and regulations in the fields of ethics, environment, labor rights, safety and health, or report violations of individual rights and interests.
 - ii. Suppliers shall protect employees from unreasonable measures such as dismissal, threat, retaliation, ridicule, etc. for reporting, and shall thoroughly guarantee the status of the reporter.
 7. Managing business partners (subcontractors)
 - i. Suppliers shall encourage contracted business partners (subcontractors) to manage ethics, environment, labor rights and health content in planning, designing, selling and manufacturing products or services.
 8. Compliance with norms
 - i. Suppliers shall provide information in compliance with the code of conduct and implementation during regular written or on-site inspections conducted by TYM or a third party designated by TYM.
 - ii. Suppliers shall prepare and manage appropriate documents to demonstrate compliance with this code of conduct, and the documents shall be prepared based on the actual facts of the business operation.
- ※ Appropriate documents
- Regulations for Safety Management at Workplaces (Article 225 of the Occupational Safety and Health Act)
 - Records of industrial accidents and diseases (Article 10 of the Occupational Safety and Health Act)
 - Employment Rules (Article 93 of the Labor Standards Act)
 - Appropriate amount of wages (Article 48 of the Labor Standards Act)

- Consent to comply with the Charter of Ethics
 - Emergency Manuals
 - Working hours record log, etc.
- iii. Suppliers shall endeavor to establish and implement a plan to timely improve defects or violations derived through written or on-site inspections of compliance with this code of conduct.

VI. Labor Rights Division

1. No Discrimination
 - i. Suppliers shall not discriminate against employees' employment, promotion, education, etc. due to gender, race, nationality, religion, disability, age, family status, social status, educational background, and political views.
 - ii. Suppliers shall not discriminate in the payment of wages and the operation of the benefits system.
 - iii. Suppliers shall not require conditions that are unnecessary for the performance of their duties when recruiting or hiring executives and employees.
2. Provision of wages and benefits
 - i. Suppliers shall comply with laws and regulations and pay wages. Wages shall be paid on a fixed date and a written statement shall be provided for employees to understand.
 - ii. Suppliers shall provide a pleasant working environment for executives and employees and endeavor to operate a welfare system to improve the quality of life.
 - iii. Suppliers shall provide compulsory education stipulated by laws and institutions.
3. Management of working hours
 - i. Suppliers shall comply with legal working hours and manage working hours, including rest time.
 - ii. Executives and employees shall not be required to overtime work that they disagree with, and in the occurrence of inevitable overtime, legitimate compensation shall be provided.
 - iii. Executives and employees shall be guaranteed at least one holiday per week on average.
4. Humanitarian treatment
 - i. Suppliers shall respect the privacy of executives and employees and refrain from giving unnecessary work instructions outside of working hours.
 - ii. When collecting personal information of executives and employees, they shall be notified in advance and voluntary consent shall be obtained.
 - iii. Harassing by taking advantage of the position or relationship between executives and employees at the workplace, which is an act that causes physical and mental pain to workers or worsens the working environment, shall be prohibited. At the request of the victim, appropriate measures such as changing the work position and relocation shall be taken, and necessary measures such as disciplinary action and changing the work position shall be taken to the inflictor in a timely manner.
5. Ensuring freedom of association

- i. Suppliers shall guarantee the freedom of association and collective bargaining of executives and employees and allow the establishment and operation of a legitimate bargaining organization.
- ii. Suppliers shall sincerely consult with the representative of the executives and employees on collective bargaining matters.
- iii. In the absence of the employee representative, individual executives and employees are allowed to freely propose negotiation matters.

