



ROHM GROUP CSR PROCUREMENT GUIDELINES

**Request to Our Business Partners in Order to Contribute to Realization
of Sustainable Society**

Dec. 2017 5th Edition

ROHM Co., Ltd.

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I. Introduction

The progress in globalization of corporate activities has made the supply chain diverse and complex, and the risks to the companies due to social problems and issues around the world have made business operations uncertain. As there are limits to the results that could be obtained from the CSR (Corporate Social Responsibility) activities by a single company, expanding them to the whole supply chain through the procurement sources is required, thereby contributing to the resolution of social issues.

Under such social environment, the ROHM Group has been working on the following 5 main CSR Procurement Activities:

- ① Conclusion of EICC-compliant “Basic Purchase Agreement”
- ② Issuance of “ROHM Group CSR Procurement Guidelines”
- ③ Holding of “CSR Procurement Promotion Briefing” at each Site
- ④ Implementation of “CSR Procurement Self-Assessment”
- ⑤ Implementation of “CSR Procurement Audit”

We will continue to conduct these activities as they evolve and develop in the future.

However, for further dissemination and penetration to the whole supply chain, the understanding, agreement and specific activities of our business partners are important more than ever. Motivated by transactions aimed at co-existence and co-prosperity with our business partners, ROHM Group will make efforts for steady dissemination and penetration of CSR procurement activities through sincere and courteous communication. We look forward to your continued understanding and cooperation.

ROHM Co., Ltd.
Procurement Division

Third edition of the changes

1. Additional labor policy (Page 6-8)
2. Additional occupational health & safety policy (Page 9)
3. Additional environmental policy (Page 9)
4. Additional Ethics policy (Page 10-12)

The 4th edition of the changes

Revised ROHM Group Procurement policy (Page5)

The 5th edition of the changes

Revised ROHM Group Environmental policy (Page9)

II. Company Mission / Management Policy

Company Mission

Quality is our top priority at all times.

Our objective is to contribute to the advancement and progress of our culture through a consistent supply, under all circumstances, of high quality products in large volumes to the global market.

Basic Management Policy

Secure reasonable profit through a concerted company-wide effort for a comprehensive quality assurance program.

Develop globally leading products by improving upon technologies held by each department for continued advancement of the company.

Maintain healthy and vigorous lifestyles and refine intellect and humanitarianism, hence contributing to society.

Search extensively for capable human resources and cultivate them as cornerstones for building long-term prosperity.

ROHM Group CSR Policy

We conduct business conscientiously from a global perspective and contribute to sustainable progress of society based on our company policies such as COMPANY MISSION and BASIC MANAGEMENT POLICY.

We also endeavor to establish good relationships with our stakeholders (as exemplified below), gain trust from society, and achieve continued growth of our company.

1. Customers

ROHM seeks to obtain customer satisfaction and confidence by continuing to supply high quality products and services in a timely and appropriate manner. ROHM is also open to customer feedback and suggestions, and will evaluate them internally. ROHM places the highest priority on the safety of its products and strives to disclose relevant information as necessary.

2. Business Partners

ROHM selects its business partners according to equitable and rational criteria. ROHM values the relationship with its business partners and conducts equal and fair transactions for mutual prosperity.

3. Employees

ROHM strives to ensure a safe and pleasant working environment, respect human values and individuality, and create a fair and appropriate workplace where each employee may demonstrate individual initiative.

4. Shareholders and Investors

ROHM seeks to continuously improve corporate value and secure appropriate profits in order to provide a steady return to both shareholders and investors. ROHM offers financial information in order to keep shareholders and investors actively informed.

5. Local Societies and Communities

ROHM works to deepen its relationship with each country and local community, respect their culture and custom, and implement and support social, cultural, and art activities. ROHM also endeavors to preserve the global environment throughout its daily business activities.

ROHM Group Procurement Policy

Rohm shall conduct procurement activities based on the following five policies in order to acquire customers' satisfaction for Rohm products.

1. Mutual Reliability and Prosperity

Rohm will recognize Suppliers as important partners of the enterprise activities, and importantly have a reliable and cooperative relationship, so that Rohm is able to mutually aim at building up win-win relationship.

2. Fair and Equal Footing Trade

Rohm shall conduct procurement activities for Suppliers with fairness, equal footing and modesty during purchasing material, semi-products and equipment etc. and getting any type of service. Rohm shall never enforce to do unfair trading with a superior position.

3. Fair Selection

Rohm shall globally & broadly open a trade chance so that equally realize a business opportunity. During processing of suppliers' selection, Rohm shall consider a lot of aspects which are quality, technology, delivery and price. Additionally, there are also enthusiasm, management, ethics, human rights, risk management, environment protect, health and safety, removal of anti-social forces etc.

4. Proper evaluation and distribution for added value of product and service

Rohm shall conduct new products' development and cost reduction activities on the basis of strong partnership with Supplier. Also, Rohm shall promote proper evaluation and price for provided product and service through these activities.

5. CSR procurement

Rohm shall make an effort to penetrate CSR procurement with deeply mutual understanding between Supplier and Rohm in order to promote CSR procurement based on CSR procurement guideline with Rohm group. Rohm also promote environment-friendly procurement based on Green Procurement Guideline.

ROHM Group Labor Policy (1)

"Respect for Humanity and Personality"

The ROHM Group will respect the humanity and personality of each employee, and ensure sound and stable lives of the Group's employees. In addition, the ROHM Group will comply with international standards of conduct and related laws and regulations of each country and region, and will encourage an open and comfortable office environment that respects cultural diversity, different customs, and other values.

1. Conduct guidelines: The ROHM Group will act as specified below in accordance with this Policy.

1.1 Maintenance and improvement of labor conditions: The ROHM Group will value the individuality of each and every employee. The Group aims to build diversified systems to handle personnel and employment as well as improve working conditions, in order for employees to feel affluent and comfortable.

1.2 Safe and comfortable office environment: The ROHM Group strives to secure a safe, healthy and comfortable working environment. In order to prevent work-related accidents, the Group will comply with relevant laws and regulations, and in line with international standards (OHSAS18001), make every effort to maintain occupational health and safety management programs. If any accident occurs in the workplace, the Group will promptly take appropriate measures, and strive to prevent the expansion and recurrence. In addition, the Group will not engage any employee under the minimum age provided for in international standards of conduct, and in related laws and regulations of each country and region, in jobs that endanger their health and safety.

1.3 Realization of work-life balance: The ROHM Group realizes that there are diverse working styles. The Group will support work-life balance and strive to maximize possibilities in promoting job satisfaction.

1.4 Respect for privacy: The ROHM Group will respect the privacy of individuals. The Group will pay close attention when dealing with personal data and ensure the appropriate management of it.

1.5 Respect for human rights and prohibition of discrimination: The ROHM Group will respect human rights and other rights of everyone. The Group will not allow discriminatory words, behavior, or treatment.

1.6 Understanding of diversity: The ROHM Group will strive to act in ways that respect the diversity of cultures, religions, customs, systems and other values of each country and region.

1.7 Humane treatment: The ROHM Group will work to prevent harassment and inhuman treatment in the workplace, including sexual harassment, physical or mental oppression, and verbal abuse, and will define disciplinary policies and procedures to eliminate the threat of the foregoing treatment and make those policies and procedures known to every employment.

ROHM Group Labor Policy (2)

1.8 Right to work: The ROHM Group will not employ any forced, bonded, or inhumane labor. All work will be voluntary, and the Group will allow employees to freely leave their job by offering to terminate their employment in accordance with the standards provided for by the relevant laws and regulations of each country and region. In addition, the Group will allow employees to leave the workplace during periods in which they do not engage in work in accordance with internal rules. As employment conditions, the Group will not require employees to surrender their identification card or pay unlawful fees, and will disclose any and all fees incurred by employees. The Group will work to notify employees of labor conditions in writing and verbally so that they are able to understand the contents thereof.

1.9 Prohibition of child labor: The ROHM Group will not employ any person under the minimum employment age provided for in international standards of conduct, and in related laws and regulations. The Group will establish a system to enable the use of job-training programs in compliance with laws and regulations. In addition, the Group will not engage employees under the age of eighteen (18) in jobs that endanger their health and safety.

1.10 Working hours: The ROHM Group will not require employees to work above and beyond the working hours provided for by international standards of conduct, and related laws and regulations, except in emergencies or unusual situations. Furthermore, the Group will strive to prevent overworking that impairs the physical or mental health of the employees, and allow them to have appropriate break time in accordance with related laws and regulations, as well as at least one day off per seven-day week.

1.11 Wages and benefits: The ROHM Group will pay wages and overtime allowances to employees without delay in compliance with international standards of conduct and related laws and regulations. The Group will communicate appropriately in writing the working hours, the basis for payment of overtime allowances, and other details to employees, and appropriately retain the records thereof including taxes, social insurance premiums, and other deductions. In addition, the Group will not deduct wages in excess of the basis provided for in related laws and regulations as a disciplinary measure.

1.12 Freedom of association: The ROHM Group will respect the employees' right of freedom of association as well as their right to join or not to join labor unions in accordance with international standards of conduct and related laws and regulations. In addition, the Group will work to provide opportunities for employees to have frank discussions with management about working conditions and management practices without fear of reprisal, intimidation, or harassment.

2. Management System: The ROHM Group will build a management system to observe this Policy and work on the continual improvement of this Policy. The management system will be designed to ensure compliance with applicable international standards of conduct, related laws and regulations, and customer requirements, and the identification and mitigation of operational risks related to this Policy.

ROHM Group Labor Policy (3)

2.1 Responsibility: The ROHM Group will operate the management system in accordance with this Policy approved by top management as provided for in in-house rules.

2.2 Identification of representative: The ROHM Group will identify an internal representative responsible for ensuring implementation of the management system and related items. The top management will review the status of the management system on a regular basis.

2.3 Legal and customer requirements: The ROHM Group will define the procedures for identifying, monitoring, and understanding international standards of conduct, related laws and regulations, and customer requirements.

2.4 Risk assessment and risk management: The ROHM Group will define the procedures for identifying risks involved in the Group's business activities, determining the relative significance of each risk, managing the identified risks, and ensuring regulatory compliance.

2.5 Improvement objectives: The ROHM Group will define improvement objectives and implementation plans, and periodically assess the achievement of those objectives in order to fulfill its social responsibilities.

2.6 Training: The ROHM Group will provide training to employees to implement this Policy and the improvement objectives, and to meet requirements in international standards of conduct and related laws and regulations, as well as customer requirements.

2.7 Communication to employees, etc.: The ROHM Group will define the procedures for communicating this Policy, improvement objectives, and the assessment of the achievement thereof to employees, suppliers, and customers in a clear and accurate way.

2.8 Participation of employees: The ROHM Group will define the procedures for assessing employee's understanding of matters provided for in this Policy and making sustained improvements to this Policy based on those assessment results.

2.9 Audits and assessments: The ROHM Group will conduct periodic self-assessments to ensure conformity with international standards of conduct, related laws and regulations, and customer requirements.

2.10 Corrective and preventive action: The ROHM Group will define procedures for correcting and preventing within an appropriate period of time the recurrence of defects/inadequacies detected in the course of internal or external audits.

2.11 Documentation and records: The ROHM Group will create and retain records related to the management system in accordance with international standards of conduct, related laws and regulations, and customer requirements.

2.12 Supplier responsibility: The ROHM Group will define procedures for communicating requirements provided for in this Policy to suppliers and monitoring the compliance of the suppliers with this Policy.

ROHM Group Occupational Health & Safety Policy

In conformity with the spirit of CSR, we recognize the vital significance of health and safety in all our business activities. Accordingly we exert ourselves on building up safe and comfortable workplace environment while preserving and promoting our physical and mental health.

1. We comply with health and safety laws and their related regulations, other requirements, and our company's rules.
2. We prevent occupational accidents by implementing managerial measures based on the identification of hazard sources in our workplace and their severity via risk assessment.
3. We pursue highly-ranked awareness by systematic education, training, and other things concerning health and safety. Additionally we strive to prevent injuries, physical and mental illnesses by promoting the creation of a comfortable workplace through energized, voluntary activities.
4. We continuously resolve problems by creating and carrying out the health and safety objectives, and their action plans. We strive for higher levels of excellence through regular performance reviews.

ROHM Group Environmental Policy

ROHM's everlasting conscientiousness to preserve the global environment contributes to the healthy existence of humanity and to the continued prosperity of the company.

1. Conserve energy by initiating innovative methods in all corporate activities.
2. Develop environmentally-conscious products that minimize the environmental burden by employing responsible processes throughout the life cycle of each product.
3. Give priority to the procurement of materials and products that have the least levels of adverse impact on the environment.
4. Promote effective utilization of resources and strive for the prevention of pollution and conservation of biodiversity toward the realization of a sustainable society.
5. Comply with international and national environmental laws and regional agreements and other customer requirements to which we have agreed.
6. Endeavor to train employees and encourage our constituents to actively care for their surroundings and the global environment.
7. Develop positive relationships with the community through contributions to the local environment and the proper disclosure of environmental data.
8. Continuously improve subjects by creating and carrying out the environmental objectives, and their action plans to enhance environmental performance.

ROHM Group Ethics Policy (1)

"Respect for International Standards, and Compliance with Laws, Business Ethics, and in-house rules"

The ROHM Group will conduct its business observing the laws, business ethics, and in-house rules in order to continue to gain the trust of various stakeholders as a company in compliance with the laws. The Group will also, in line with the globalization of business activities, respect international standards of conduct.

1. Conduct guidelines: The ROHM Group will act as specified below in accordance with this Policy.

1.1 Fair action: The ROHM Group will act with virtue and fairness based on good social sense. The ROHM Group will be fully conscious of its social responsibility, that the Group is a public entity of society, and with the awareness that each individual employee represents the Group.

1.2 Compliance with laws and business ethics: The ROHM Group will always conduct its business faithfully in strict compliance with the laws and business ethics. The Group will continuously work to collect, manage and understand the laws and regulations of each country that are relevant to its business. The Group will also introduce and organize in-house rules corresponding to related laws and regulations.

1.3 Compliance hotline and whistle-blower protection: The ROHM Group will, by following the provisions of in-house rules, establish a contact point (e.g. compliance hotline) to which Group employees may report business activities that, they suspect, may be in violation of related laws and regulations or business ethics. Moreover, in case the violation or possible violation of the law is discovered, the ROHM Group will promptly correct the condition, plan for the prevention of recurrence (or occurrence), and will deal strictly with the act of violation. Accordingly, the Group will not tolerate any negative treatment against any person or group who reports possible illegal activity, violation of the law and/or of business ethics, on the grounds of such reporting.

1.4 Prevention of bribery: The ROHM Group will not, by following the provisions of in-house rules and agreeing with the importance and necessity of preventing corruption as dictated by international agreements and standards, engage in any form of bribery or action, which may be otherwise deemed as bribery or invite suspicion, to any country's governmental agency, to members in official positions, nor to politicians for the purpose of gaining improper benefit or advantage, in order to continue transparent and honest business activities.

1.5 Prohibition of excessive business entertainment: The ROHM Group will not, by following the provisions of in-house rules, provide gifts, meals or other channels of financial advantage to its customers or other business associates beyond the bounds of what is socially acceptable. Furthermore, the Group will be most cautious with any offer of entertainment or gifts from its suppliers and will not accept anything which may result in personal profit.

1.6 Disclosure of information: The ROHM Group will disclose timely, fairly and actively its corporate information in accordance with both legal requirements and its company policies. This includes relevant information on company missions and policies, business activities and social contributions of the ROHM Group to its stakeholders.

ROHM Group Ethics Policy (2)

1.7 Intellectual property rights: The ROHM Group will strive to improve its own technology in every division. The Group will establish and accumulate the results of its development as its intellectual property, and utilize these effectively in growing its business. The Group will hold great value for intellectual property rights. As such, the Group will not use third parties' rights without their permission, nor abuse the Group's own rights.

1.8 Implementation of fair sales activities: In line with the globalization of business, the ROHM Group will observe the provisions of in-house rules and value free market competition and practice fair sales activities. The Group will pursue neither sales nor profit unless the group will comply with the law, social ethics, and contractual obligations. The Group will not violate any law, social ethics or contractual obligations nor engage in any unlawful or unethical conduct, such as anticompetitive behavior (cartel), collusive bidding, fictitious transactions, restraining of selling prices, etc. Moreover, the Group will comply with import/export laws and regulations in order to contribute to a peaceful and safe international community.

1.9 Fair and appropriate content: The ROHM Group will release fair and appropriate content in public relations activities based on accurate, fact-based information in accordance with applicable laws and regulations.

1.10 Conflict minerals: The ROHM Group will strive for the protection of human rights, as such, the Group will aim not to use conflict minerals as raw materials, that benefit armed groups in disputed regions whose activities are linked to human rights violations.

1.11 Management of Confidential and individual information: The ROHM Group will thoroughly and securely manage information acquired through its business activities including confidential information of the ROHM Group, third parties, and privacy information of individuals concerned, in accordance with the provisions of in-house rules.

1.12 Fair accounting and disclosure: The ROHM Group will appropriately record and report information based on fair accounting principles and facts. Accordingly, the Group will pay tax obligations in compliance with the applicable tax laws. The Group aim to pay attention to the interests of all stakeholders and hold in high esteem the other party's position. The Group's aim is to establish and foster the relationship of mutual trust through disclosure of information.

2.Management System: The ROHM Group shall build a management system to observe this Ethics Policy and work on the continual improvement of this Policy. The management system shall be designed to ensure compliance with applicable international standards of conduct and related laws and regulations, and the identification and mitigation of operational risks related to this Policy.

ROHM Group Ethics Policy (3)

2.1 Responsibility: The ROHM Group will operate the management system in accordance with the provisions of in-house rules and this Policy.

2.2 Identification of representative: The ROHM Group will identify an internal representative responsible for ensuring implementation of the management system and related items. The top management will review the status of the management system on a regular basis.

2.3 Legal and customer requirements: The ROHM Group will define the procedures for identifying, monitoring, and understanding international standards of conduct, related laws and regulations, and customer requirements.

2.4 Risk assessment and risk management: The ROHM Group will define the procedures for identifying risks involved in the Group's business activities, determining the relative significance of each risk, managing the identified risks, and ensuring regulatory compliance.

2.5 Improvement objectives: The ROHM Group will define improvement objectives and implementation plans, and periodically assess the achievement of those objectives in order to fulfill its social responsibilities.

2.6 Training: The ROHM Group will provide training to employees to achieve the improvement objectives and to meet the requirements of international standards of conduct and related laws and regulations in accordance with this Policy.

2.7 Communication to employees, etc.: The ROHM Group will define the procedures for communicating this Policy, improvement objectives, and the assessment of the achievement thereof to employees, suppliers, and customers in a clear and accurate way.

2.8 Participation of employees: The ROHM Group will define the procedures for assessing employee's understanding of matters provided for in this Policy and making sustained improvements to this Policy based on those assessment results.

2.9 Audits and assessments: The ROHM Group will conduct periodic self-assessments to ensure conformity with international standards of conduct, related laws and regulations, and customer requirements.

2.10 Corrective and preventive action: The ROHM Group will define procedures for correcting and preventing within an appropriate period of time the recurrence of defects/inadequacies detected in the course of internal or external audits.

2.11 Documentation and records: The ROHM Group will create and retain records related to the management system in accordance with the provisions of in-house rules and related regulations.

2.12 Supplier responsibility: The ROHM Group will define procedures for communicating requirements provided for in this Policy to suppliers and monitoring the compliance of the suppliers with this Policy.

III. ROHM Group CSR Procurement Guidelines

ROHM Group Code of Conduct for Business Partners

Business partners must operate in compliance with each country's laws and regulations in all business activities. Business partners must not only comply with laws and regulations but also enhance their responsibilities and corporate ethics for society and environment based on the globally acknowledged higher standards.

☉ Matters of request for the Guidelines in general are as follows:

- (1) Business partners must understand that the ROHM Group shall promote its activities in accordance with the "EICC (Electronic Industry Citizenship Coalition) Code of Conduct," which is the CSR standard in the electronic industry, based on the "ROHM Group Basic CSR Policy" and also strive to comply with it.
- (2) Business partners must cooperate with self-assessment and CSR Procurement Audit conducted by the ROHM Group in order to verify the compliance status in the previous clause.
- (3) Business partners must strive to improve the compliance status if the ROHM Group determines it rationally necessary based on the results of the self-assessment and CSR Procurement Audit.

(1) Labor

Business partners must protect human rights of their employees and strive to treat them with dignity and respect that can be understood in the international community.

The standards for labor are as follows:

① Freely Chosen Employment

- Forced, bonded, involuntary prison labor, slavery or trafficking of persons shall not be used.
- Employees shall be free to leave work at any time or terminate their employment.
- Employees shall not be asked to turn over their identification card, passport or work permit as condition for employment.

② Young Workers

- A child shall not be used as a worker. (The term “child” refers to any person under the aged of 15, or under the age for completing compulsory education, or under the age for employment in the country, whichever is greatest.)
- Employees under the age of 18 shall not perform work that is likely to jeopardize their health or safety, including night shifts and overtime.
- The wage rate for student workers, interns and apprentices shall be at least the same wage rate as other entry-level workers performing equal or similar tasks.

③ Working Hours

- Workweeks are not to exceed the maximum set by local law.
- Workweek should not be more than 60 hours per week, including overtime, except in emergency or unusual situations.
- Employees shall be allowed at least one day off every seven days.

④ Wages and Benefits

- In compliance with local laws, employees shall be compensated for overtime at pay rates greater than regular hourly rates.
- Deductions from wages as a disciplinary measure shall not be permitted.
- Details of the wage payment shall be notified to the employees with a timely wage statement or an equivalent document that is written in a language that can be understood by the employees.

⑤ Humane Treatment

- There is to be no harsh and inhumane treatment including sexual harassment, power harassment, sexual abuse and corporal punishment at the workplace; nor is there to be the threat of any such treatment.
- Disciplinary policies and procedures in support of these requirements shall be clearly defined and communicated to employees.

⑥ Non-Discrimination

- Efforts shall be made so that employees are not subjected to harassment and unlawful discrimination.
- Discrimination based on race, skin color, age, gender, sexual orientation, gender identity and expression, ethnicity, national origin, physical disability, pregnancy, religion, political affiliation, union membership, covered veteran status, protected genetic information or marital status shall not be engaged in hiring and employment practices.
- Reasonable accommodation shall be provided for practices by many employees of the religion in which they have belief.
- Employees or applicants shall not be subjected to medical tests that could be used in a discriminatory way.

⑦ Freedom of Association

- Employees' rights to freedom of association, to join or not to join a labor union and to participate in a protest or labor council in conformance with the local law shall be respected.

(2) Health and Safety

Business partners recognize that in addition to minimizing injuries and illness at workplaces, a safe and healthy work environment enhances the quality of products and services, consistency of production and employee retention and morale.

The standards for health and safety are as follows:

① Occupational Safety

- Potential safety hazard sources to which employees may be exposed (hazards due to electricity and other energy, fire, vehicles, fallen objects, etc.) must be controlled through proper design, engineering and administrative controls such as preventive and safety measures and ongoing safety training.
- Employees who have expressed safety concerns shall not be penalized.

② Emergency Preparedness

- Situations and events that may happen in an emergency are to be identified and assessed beforehand.
- Emergency response measures shall be implemented to minimize the impact of a disaster (including emergency reporting, employee notification, evacuation drill, appropriate fire detection system, suppression equipment, recovery plans, etc.).

③ Occupational Injury and Illness

- Procedures and systems are to be in place to identify, assess and prevent occupational injury and illness beforehand, as well as to manage, track and report them (to encourage employee reporting, to classify and record injury and illness cases, to provide treatment to employees, to investigate and implement corrective actions for injury and illness cases, to facilitate return of employees to work, etc.)

④ Industrial Hygiene

- Employee exposure to chemical and physical agents is to be identified, evaluated, acted upon and controlled.
- Engineering or administrative controls must be used to control overexposures.
- When hazards cannot be adequately controlled, employees' health is to be protected by appropriate personal protective equipment, etc.

⑤ Physically Demanding Work

- Physically demanding tasks, including manual transport, heavy lifting, prolonged standing, highly forceful assembly, etc., are to be identified, evaluated, acted upon and controlled.

⑥ Machine Safeguarding

- Safety hazards of production and other machinery shall be identified and evaluated.
- Safeguarding (safety devices such as interlocks and barriers, etc.) are to be provided and properly maintained where machinery presents hazards to workers.

⑦ Sanitation, Food and Housing

- Employees are to be provided with ready access to clean toilet facilities, potable water, sanitary food preparation, storage and eating facilities.
- Employee dormitories are to be maintained to be clean and safe, and provided with appropriate emergency egress, hot water for bathing and showering, adequate temperature control and air-conditioning equipment, and reasonable personal space along with appropriate entry and exit doorway.

⑧ Health and Safety Communication

- Employees shall be provided with workplace health and safety training in a language they can understand, and health and safety related information shall be clearly posted in the facility.

(3) Environmental

As environmental responsibility is integral to manufacture products, business partners must strive to minimize adverse effects on the society, environment and natural resources in the manufacturing process and ensure people's health and safety at the same time.

The environmental standards are as follows:

① Environmental Permits and Reporting

- All required environmental permits (discharge monitoring, etc.), approvals and registrations are to be obtained, maintained and kept current, and their operational and reporting requirements are to be followed.

② Pollution Prevention and Resource Reduction

- Generation of waste of all types, including water and energy, are to be reduced or eliminated by modifying production, maintenance and facility processes, material substitution, conservation, recycling and reuse of materials, etc.

③ Hazardous Substances

- Chemicals and other substances posing a hazard if released to the environment are to be identified and managed to ensure their safe handling, movement, storage, use, recycling or reuse and disposal.

④ Wastewater and Solid Waste

- Wastewater and solid wastes generated from operations, industrial processes and sanitation facilities are to be characterized, monitored, controlled and treated as required prior to discharge or disposal.

⑤ Air Emissions

- Volatile organic chemicals (VOC), aerosols, corrosives, particulates, ozone depleting chemicals and combustion by-products generated from operations are to be characterized, monitored, controlled and treated as required prior to discharge.

⑥ Materials Restrictions

- All applicable laws, regulations and ROHM's requirements regarding prohibition or restriction of specific products, including labeling for recycling and disposal, must be complied.

⑦ Storm Water Management

- To prevent contamination of storm water runoff, entry of illegal discharge and spills into storm drains shall be prevented.

⑧ Energy Consumption and Greenhouse Gas Emissions

- Cost-effective methods shall be implemented to improve energy efficiency and to minimize energy consumption and greenhouse gas emissions.

(4) Ethics

Business partners must establish a company structure to maintain the highest standards of ethics that include the following matters, to fulfill their social responsibilities and to realize a successful business.

The standards for ethics are as follows:

① Business Integrity (Sincerity of Management)

- Highest standards of integrity are to be maintained in all business relationships.
- Any and all forms of bribery, corruption, blackmail and embezzlement shall be strictly prohibited.
- All business transactions should be transparently performed and accurately reflected on business books and records.
- Monitoring and enforcement procedures shall be implemented to ensure compliance with anti-corruption laws.

② No Improper Advantage

- Bribes or other means of obtaining excessive or undue advantage are not to be offered or accepted.

③ Disclosure of Information

- Information regarding business activities, management structure, financial situation and performance is to be disclosed in accordance with applicable regulations and industry practices.
- Falsification of records and untruthful reports in the supply chain are unacceptable.

④ Intellectual Property

- Intellectual property rights are to be respected; transfer of technology and know-how is to be done in a manner that protects intellectual property rights.

⑤ Fair Business, Advertising and Competition

- Standards of fair business, advertising and competition are to be maintained.
- Appropriate measures to safeguard customer information must be taken.

⑥ Protection of Identity and Non-Retaliation

- Confidentiality of business partners and employees who make reports are to be protected, and a program that protects such whistleblowers must be in place.
- A communication process that allows employees to raise any concerns without fear of retaliation must be prepared.

⑦ Responsible Sourcing of Minerals

- A policy to reasonably guarantee that tantalum, tin, tungsten and gold contained in their own products, for example, do not directly or indirectly provide funds or profits to armed groups that are perpetrators of serious human rights abuses in the Democratic Republic of the Congo and its neighboring countries, must be established.
- Due diligence* to the countries of origin and chain of custody of these minerals must be exercised and such due diligence means must be disclosed to customers upon their request.

*To prevent or alleviate adverse effects which may be caused by a company's procurement decisions, by conducting a survey, confirming risks and taking measures against them.

⑧ Privacy

- Personal information of everyone involved in their business such as business partners, customers and employees must be protected.
- Privacy and information security laws and regulatory requirements must be followed when personal information is collected, stored, processed, transmitted and shared.

(5) Establishment of Crisis Management System

Business partners must establish a crisis management system and supply chain that are resistant to disasters and unforeseen circumstances in order to protect the lives and physical safety of their employees and ensure business continuation and stable supply of products.

The standards for crisis management system are as follows:

① BCP Formulation

- The types and degree of risks that may affect the business continuation shall be defined and a business continuity plan (BCP) must be formulated.

② Establishment of Emergency Contact Network

- An emergency contact network that includes your company's business partners must be established and maintained, to be able to minimize damages and take actions to ensure quick recovery.

③ Securing Multiple Production Bases or Alternative Production Base

- Multiple production bases or an alternative production base must be secured on the assumption that your company's production base is hit by disaster.

④ Setting of Safety Inventory of Your Company's Products

- Safety inventory of your company's products must be set and practiced to strive to minimize a supply risk on the assumption that your company's production base is hit by disaster.

⑤ Listing of Critical Raw Materials

- For critical raw materials* necessary for production of your company's products, the business partners and production bases must be listed up and routinely reviewed.
- Methods or means of procurement in case raw material supply is withheld must be in place.

*Critical raw materials refer to products that are supplied by one company and produced in one production base.

⑥ Promotion of BCP in Supply Chain

- Dissemination and penetration of BCP to your company's business partners must be promoted in order to establish the crisis management system throughout the entire supply chain.

(6) Management System

Business partners must adopt or establish a management system to comply with these Guidelines. The management system must be designed to comply with the applicable laws, regulations and customer requirements related to your company's operations and products, conform to these Guidelines, and clarify and reduce the related operating risks. The management system must also promote continuous improvement.

The standards for management system are as follows:

① Company Commitment

- Policy for the company's social and environmental responsibilities that promise to practice compliance* and continuous improvement endorsed by the executive management must be declared.

*To act in accordance with laws and company's internal regulations.

② Management Accountability and Responsibility

- Company's head representative who will ensure to implement the management system and associated programs must be clearly identified.
- Top management must routinely review the status of the management system.

③ Legal and Customer Requirements

- Process to identify, monitor and understand the applicable laws, regulations and customer requirements, including the requirements of these Guidelines must be in place and practiced.

④ Risk Assessment and Risk Management

- Process to identify the risks in terms of environment, health and safety, labor practices and ethics related to the company's business activities must be in place.
- Determination of relative significance of each risk, control of the identified risks, and procedures and physical control for regulatory compliance must be implemented.

⑤ Improvement Objectives

- Performance objectives and action plans to enhance efforts for social and environmental responsibilities shall be clearly stated and their degree of achievement must be periodically assessed.

⑥ Training

- Training programs for managers and employees in order to practice the policies, procedures and improvement objectives set by our business partners to meet the applicable legal and regulatory requirements must be conducted.

⑦ Communication

- Process for communicating accurate and clear information on policies, practices, expectations and performance of our business partners to employees, your business partners and customers must be practiced.

⑧ Employee Feedback and Participation

- Ongoing process to assess the degree of understanding by employees of the practices and conditions listed in these Guidelines and to obtain their feedback to promote continuous improvement must be in place and practiced.

⑨ Audits and Assessments

- Periodic self-assessment must be performed to verify the compliance with the laws and regulations related to social and environmental responsibilities, items listed in these Guidelines and customer requirements.

⑩ Corrective Action Process

- Process to correct any defect and flaw detected by assessment, inspections, investigations and reviews in or outside the company within an appropriate period must be in place and practiced.

⑪ Documentation and Records

- Creation and retention of documents and records in compliance with regulations and company requirements with appropriate confidentiality for protection of personal information.

⑫ Supplier Responsibility

- Process to communicate the requirements specified in these Guidelines to your business partners and to monitor the compliance status must be in place and practiced.

Reference: The following standards were referred to when formulating the Guidelines. Please see these standards, etc., if you need further information.

International Labour Organization (ILO): Guidelines on Occupational Safety and Health Management Systems

<http://www.ilo.org/global/publications/books/lang--en/index.htm>

United Nations Global Compact

<http://ungcjin.org/index.html>

ISO26000

<http://iso26000.jsa.or.jp/contents/index.asp>

EICC (Electronic Industry Citizenship Coalition) Code of Conduct

<http://www.eiccoalition.org/>

JEITA (Japan Electronics and Information Technology Industries Association)

<http://www.jeita.or.jp/>

ISO14001/OHSAS 18001

<http://www.iso.org/iso/home.html>

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1. We will never disclose the contents provided by our business partners to external parties.
2. As the contents of the Guidelines may change due to revisions in laws and regulations, company rules, etc., please check them on the website of ROHM Co., Ltd. as needed.
3. Please contact us at the following phone numbers if you have any questions about the Guidelines.

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