



SUPPLIER CODE OF CONDUCT

This Supplier Code of Conduct articulates Harada Industry of America, Inc.'s ("HARADA") expectations of the conduct of suppliers and business partners doing business with HARADA ("suppliers"). Suppliers are expected to understand and act consistent with HARADA's approach to integrity, responsible sourcing, and supply chain management. HARADA expects that its suppliers will cascade similar expectations through their own supply chains.

HARADA expects to do business with suppliers that meet our standards and behave consistent with, and positively reflect, HARADA's values throughout the supply chain. HARADA chooses its suppliers carefully, and expects that they will satisfy contractual requirements, comply with laws, regulations, and act in a way consistent with the values and principles of integrity, fair dealing, and ethical conduct; and specifically, this Supplier Code of Conduct.

HUMAN RIGHTS

Forced Labor

Suppliers will not use slave, prisoner or any other form of forced or involuntary labor. Suppliers must take reasonable measures to ensure that all of their employees understand the terms of their employment.

Child Labor

Suppliers will not use child labor. HARADA has a zero-tolerance policy regarding the employment of children where the age of employment is not in accordance with applicable laws.

Human Trafficking

Suppliers will not engage, directly or indirectly, in human trafficking. HARADA prohibits human trafficking abuses.

Conditions of Employment

Suppliers will comply with applicable laws regulating work hours, wages and benefits. Employees must be paid in a timely fashion that meets or exceeds legal minimum standards.

Labor Brokers

If necessary for a supplier to use a labor broker, the supplier will ensure the broker employs ethical recruitment practices, complies with applicable laws, and does not withhold identity documents.

Harassment & Discrimination

Suppliers will not discriminate on the basis of gender, color, race, national origin, religion, sexual orientation, age, veteran status, disability or gender identity. Harassment or discrimination of any kind will not be tolerated.

Freedom of Association and Collective Bargaining

Suppliers will comply with applicable laws that recognize and respect the rights of employees with freedom of association and collective bargaining.

HEALTH & SAFETY

Workplace

Suppliers will provide clean, healthy, and safe environments for their employees, that meet or exceed legal standards. Suppliers will have safety procedures for their employees and tracking tools, aiming for a goal of zero workplace safety incidents. Supplier employees will have the right to refuse work and report any conditions that do not meet these criteria.

Product

Suppliers and contractors will promptly communicate any safety concern related to HARADA products. Suppliers and contractors working on behalf of HARADA can report product safety concerns and make suggestions to improve safety at any time.

ENVIRONMENT

Continuous Improvement

Suppliers will increase efficiency throughout their companies and take measures to reduce their carbon footprint, energy use, water use, wastes, and other emissions. Over time, HARADA expects suppliers will establish targets and be transparent in their progress toward their targets.

Responsible Stewardship

Suppliers will look to conserve resources and protect the communities and environment that surround them. Where feasible, HARADA encourages its suppliers to develop and promote environmentally friendly technologies and increase the use of renewable energies.

BUSINESS INTEGRITY

Anti-Corruption/Anti-Bribery

Suppliers will not tolerate corruption, bribery, embezzlement or fraud in any form. This includes giving or receiving anything of value, including money, gifts or unlawful incentives to improperly influence negotiations or any other dealings with governments and government officials, customers, or any other third parties.

Ethical Behavior

Suppliers will avoid conflicts of interest and operate honestly and ethically throughout the supply chain and in accordance with applicable law, including those laws pertaining to: anti-competitive business practices, respect for and protection of intellectual property, company and personal data, export controls and economic sanctions.

Reporting and Non-Retaliation

Suppliers will provide an adequate mechanism for their employees to report integrity concerns, safety issues and misconduct without fear of retaliation. Suppliers will also appropriately investigate reports and take corrective action, if needed. Suppliers will prohibit retaliation.

Stakeholder Engagement

Suppliers will communicate these or substantially similar codes to their suppliers and subcontractors. Suppliers will continuously improve their sustainability and stakeholder engagement progress. HARADA also encourages suppliers to work closely with local communities to implement projects and strategies that improve the community and those who live there.

Suppliers will develop and implement appropriate internal business processes and policies to ensure compliance with applicable law and this Supplier Code of Conduct. Suppliers will be able to demonstrate compliance with this Code upon our request and will take any action to correct any non-compliance.

Reporting Integrity Concerns to HARADA

Subject to any restriction posed by law, suppliers will promptly inform HARADA of any concern related to issues governed by this Supplier Code of Conduct. HARADA policy prohibits retaliation against any person reporting such a concern. To report a concern, suppliers can always speak directly to their HARADA Purchasing and Supply Chain representative.