

Orbray Procurement Guideline

(Initial Version)

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Orbray Co., Ltd.
Orbray (Thailand) Co., Ltd.

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Orbray Procurement Guidelines

●Introduction

Orbray conducts procurement activities under the philosophy of "contributing to the sustainable development of society by ensuring the procurement of safe and high-quality materials from the global market, based on an equal partnership with our business partners, and reliably delivering valuable products to our customers."

These guidelines represent Orbray's fundamental approach to procurement and outline general items for ongoing collaboration with our business partners.

While these guidelines will be revised as necessary in response to changes in social conditions and laws, future procurement initiatives will be conducted based on these guidelines. We kindly request the understanding and cooperation of all our business partners.

●Purpose of Establishment

To fulfill corporate social responsibility (CSR) and contribute to the sustainable development of society, it is essential to collaborate with partners and address labor and human rights, fair transactions, quality and safety, and environmental considerations throughout the supply chain.

These guidelines have been formulated to summarize the content that we ask our business partners to understand, cooperate with, and work on.

●Scope of Application

These guidelines apply to products (including materials, parts, and outsourced design/manufacturing) and auxiliary materials/packaging materials purchased by Orbray.

1. Compliance with Laws and Regulations

Business partners shall comply with applicable laws and regulations in the countries and regions where Business partners conduct business activities and respect international codes of conduct.

2. Labor and Human Rights

2.1. Prohibition of Forced Labor

Labor that is coerced under the threat of punishment or performed against an individual's free will shall be prohibited.

2.2. Prohibition of Child Labor

Labor by individuals under the age of 15 or hazardous labor by individuals under the age of 18 shall be prohibited.

2.3. Prohibition of Discrimination

Any form of discrimination in business or employment based on nationality, race, skin color, religion, gender, ideology, social status, sexual orientation, gender identity, disability, or other factors shall be prohibited.

2.4. Freedom of Association and Collective Bargaining Rights

Business partners shall respect employees' freedom and rights to associate, join unions, and engage in collective bargaining, and we do not tolerate actions that unjustly infringe upon these rights.

2.5. Occupational Health and Safety

Business partners should strive to ensure the safety and health of employees and create a workplace environment where employees can work with peace of mind.

2.6. Working Hours and Wages

Business partners shall appropriately manage employees' working hours, holidays, and leave. Business partners shall also pay appropriate wages, taking into account living wages.

2.7. DE&I (Diversity, Equity, and Inclusion)

Business partners should promote diversity and aim to create a workplace environment where employees can thrive regardless of their attributes or values.

2.8. Prevention of Harassment

Any form of harassment that undermines human dignity shall be prohibited.

3. Fair Transactions

3.1. Prohibition of Corrupt Practices

Business partners shall not engage in excessive entertainment or gift-giving, fraud, embezzlement, or other forms of corrupt practices.

3.2. Maintenance of Fair Relationships

Business partners shall conduct transactions with fairness and integrity, build trust with business partners, and strive for mutual development. Business partners shall not exploit a dominant position to disadvantage business partners. Additionally, Business partners shall maintain healthy and transparent relationships with political and administrative entities.

3.3. Responsible Mineral Procurement

Business partners shall not use raw materials containing conflict minerals or other minerals extracted through conflict or human rights violations.

* For more details on the conflict minerals issue, please refer to the website of the Conflict-Free Sourcing Initiative (CFSI), an international private organization that supports companies addressing conflict minerals issues. Forms and manuals can be downloaded from the CFSI website:

<http://www.conflictreesourcing.org>

3.4. Exclusion of Anti-Social Forces and Prohibition of Money Laundering

Business partners shall not engage in transactions or provide funds to anti-social forces or organizations, nor do we participate in money laundering. We take a firm stance against such entities and sever all ties with them.

4. Quality and Safety

4.1. Product Safety

Business partners shall design, manufacture, and sell products that meet the safety standards stipulated by the laws of each country.

4.2. Quality Management System

To ensure product quality, Business partners shall establish and maintain an appropriate quality management system based on Orbray's "Memorandum on Quality Assurance" and other related requirements as necessary.

4.3. Preparedness for Stable Supply

Business partners should work to mitigate risks and ensure stable product supply in the event of disasters or accidents.

5. Information Security

Confidential information, including information about business partners and individuals, must be strictly managed in compliance with applicable laws and regulations.

6. Environment

In accordance with the separately established Orbray Green Procurement Guidelines, Business partners should provide environmentally conscious products and services and strive to reduce our environmental impact.

7. Management System**

7.1. Accurate Records and Documentation

To demonstrate compliance with the requirements of these Procurement Guidelines and applicable laws, Business partners shall create and appropriately manage documents and records.

7.2. Education and Training

To implement the requirements of these Procurement Guidelines, Business partners shall provide appropriate education and training to executives and employees.

Establishment and Revision

Version	Date of Establishment	Date of Enforcement	Revision Details
Initial Version	07/MAR/2025	07/MAR/2025	Initial Establishment

- (Appendix) Memorandum on Quality Assurance

Memorandum on Quality Assurance

This memorandum is prepared to clarify the responsibility for quality assurance of purchased goods and to ensure its implementation.

1. The supplier shall practice the following to assure the quality of the delivered goods.

- (1) Maintain a system that can verify the use of appropriate materials.
- (2) Ensure that counterfeit raw materials or components are not used.
- (3) Maintain a system to verify that the manufacturing process has been carried out in accordance with the standards.
- (4) Attach inspection and verification records to the delivered goods.
- (5) In case of quality issues, take immediate corrective actions and report to the purchaser.
- (6) Any changes in processes, manufacturing conditions, etc. must be *requested* and approved in advance through a 4M Change request.
- (7) Packing specifications and lot labeling shall comply with the agreed standards.
- (8) To verify that the contracted goods meet the specified requirements, an on-site audit may be conducted by the purchaser or its customer. In such cases, the audit details and auditors shall be discussed in advance and agreed upon by the supplier. In addition, if the matter is confidential, a non-disclosure agreement shall be concluded as necessary.

2. The purchaser shall conduct an acceptance inspection in accordance with the prescribed standards.

3. Actions for Quality Problems

- (1) When defective products are found in a lot, the supplier shall take responsibility for removing defective products and eliminating the root cause.
- (2) If a defective lot is found during the prescribed inspection, the purchaser shall notify the supplier and return the lot.
- (3) If defective products attributable to the supplier are found in the purchaser's process, the products shall be returned, and the supplier shall immediately take corrective action to eliminate the root cause.
- (4) If it is necessary to clarify the acceptance criteria, both parties shall consult immediately to establish a reference sample and strive to maintain and improve quality.
- (5) In the event of market complaints due to supplier's defective products, both parties shall cooperate in good faith to resolve the issue as soon as possible.

[Purchaser]	Company name:	Date:
[Supplier]	Company name:	Date: