

## **UACJ's Commitment to Partnership Building**

UACJ Corporation ("UACJ" or "the Company") will strive to mutually prosper with its manufacturing subcontractors, suppliers, and other business partners in its supply and value chains as a means to renew its partnerships. Toward this end, the Company will give priority to the following actions.

### **1. Rebuild mutually prosperous relationships with business partners regardless of their business scale and established ties**

UACJ will seek out new business partners through its direct suppliers for the purpose of adding more value across its entire supply chain. Furthermore, it will aim to build mutually prosperous relations with its business partners through cooperation, regardless of their business scale and established ties with the Company. UACJ will also provide support to its business partners by advising them on business continuity planning to ensure continuous operations during times of disaster, and by helping them improve workplace conditions, including the adoption of telecommuting systems. Based on this overall approach, the Company will pursue the following goals.

- Promote open innovation to create new businesses
- Share information and data across the supply chain to improve operational efficiency
- Actively use recycled materials to help reduce CO<sub>2</sub> emissions

### **2. Ensure compliance with Japan's subcontracting law**

UACJ will conduct fair business practices with subcontractors and new business partners in compliance with Japan's law governing the subcontracting of small and medium-size enterprises. Furthermore, it will proactively rectify any business or commercial practices that hinder efforts to build partnerships with such enterprises. Accordingly, the Company will adhere to the following rules.

#### 1) Rules for setting subcontracting fees

UACJ will not make unreasonable requests to subcontractors for fee reductions. When setting fees, UACJ will fully negotiate with a subcontractor that requests such negotiations, giving consideration to the subcontractor's need to secure profits amid rising labor costs and other circumstances. When concluding a contract containing the negotiated fees, UACJ will request the subcontractor to provide written documents that clearly specify the contract conditions.

#### 2) Rules for paying subcontracting fees

UACJ will pay subcontracting fees in cash whenever possible. If a promissory note is used as payment, the Company will not impose burdens on the subcontractor, such as discount fees, and limit the cashing period to within 60 days.

#### 3) Rules concerning intellectual property and know-how

UACJ will conduct business in accordance with conventional contracts and guidelines related to transactions involving intellectual property. Furthermore, the Company will not conclude unilateral non-disclosure agreements or require business partners to disclose know-how or transfer intellectual property rights free of charge by leveraging its bargaining position.

#### 4) Rules for supporting workplace reforms

To help enable its business partners to improve conditions in their workplaces, UACJ will not require subcontractors to suddenly modify specifications or meet rush orders without sufficiently sharing the cost burden. During times of a disaster or similar situation, the Company will not impose a unilateral financial burden on its subcontractors. Once operations resume following such a disaster, the Company will give full consideration to maintaining its business relationships with the subcontractors.

### 3. Other rules regarding fee negotiations and payments

- UACJ will request and negotiate fees with business partners at reasonable levels based on market data, and refrain from making unfair or unreasonable requests.
- UACJ will pay fees in cash and shift to electronic invoicing in order to end the use of promissory notes for payments.

October 1, 2021

UACJ Corporation  
Company name

Representative Director & President Miyuki Ishihara  
Name and position of representative officer