

Basic Policy on Procurement

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1. Compliance with laws and regulations and social codes

The Makita Group conducts procurement activities in compliance with relevant laws and regulations, as well as in accordance with social common sense, such as prohibiting the provision of profits to antisocial forces, to meet social requirements.

2. Consideration to reducing environmental impacts

The Makita Group promotes the procurement of parts, materials, and equipment with low environmental impacts from environmentally conscious business partners, with the aim of providing people- and Earth-friendly products to customers.

3. Provision of fair and equitable transaction opportunities

The Makita Group provides fair and equitable opportunities to do business with us to all business partners who wish to do so, regardless of nationality, company size, previous record of business transactions, or lack thereof. Then, we determine whether to commence and/or continue transactions with business partners, while comprehensively taking into consideration factors, including their environmental responsiveness, social responsibility, management stability, technical development capabilities, and ability to ensure stable supplies, in addition to economic rationale of quality, prices and delivery times.

4. Coexistence and coprosperity based on mutual trust

The Makita Group positions business partners as its partners through procurement activities, facilitates communications with them, and promotes coexistence and coprosperity based on mutual trust.

<Basic Policy on Business Partner Selection>

1. The financial condition of the company must be sound.
2. The quality, price and delivery times of the company must be appropriate standards.
3. The company must have excellent technical strength and development capabilities and make tireless efforts for improvement.
4. The company must be able to provide a stable supply and be able to continue the supply even if unexpected circumstances arise.
5. The company must comply with the laws and regulations and social codes, and must give consideration to matters such as human rights, the environment and labor safety and health.
6. The company must be able to strictly manage the information, etc., it acquires through the transactions.

<Requests to Business Partners>

The Makita Group gains an understanding of the requirements of international society as they change over time and works to be able to respond to those requirements by revising this Makita procurement policy when necessary as we advance our procurement activities. In connection with this, we ask business partners to understand the Makita procurement policy and to observe the following measures.

1. Observance of laws and regulations and social codes

Business partners should observe the laws, regulations and social codes related to each country and region where they conduct business activities.

- The observance and thorough enforcement of related laws and regulations in each country and region, such as antimonopoly law, commercial law and subcontracting law
- The prohibition of the bribery of interested parties and the implementation of measures to prevent corruption

2. Consideration for human rights and labor safety and health

Business partners should respect basic human rights in business activities and also realize a safe and healthy workplace environment.

- The prohibition of forced labor, child labor, human trafficking and all other inhumane treatment that infringes on human rights
- The observance of labor related laws and regulations and the securing of an appropriate working environment

3. Consideration for the environment

From the viewpoint of “providing people- and Earth-friendly products to customers”, business partners should comply with environment related laws and regulations and promote supply activities, etc., with consideration to reducing environmental impacts.

4. Securing of excellent quality

Business partners should prepare, maintain and improve a quality assurance system to make it possible to provide a stable supply of parts and materials that satisfy the quality required by our company.

5. Stable supply of parts and materials

Business partners should establish a parts supply system that suits the procurement efforts of our company, and provide a stable supply of parts and materials.

6. Provision at an appropriate price

Business partners should supply parts and materials at a price that is competitive in the market, and continue to promote activities to reduce the cost.

7. Improvement of technical strength

In order to supply safe and excellent products, business partners should continue efforts to introduce advanced technology to improve their technical strength.

8. Thorough implementation of information management

Business partners should appropriately manage and protect the confidential information and personal information that they acquire through transactions with our company.

9. Continuation of supply during unexpected circumstances

Business partners should cooperate with a continuing supply in the occurrence of events that cannot be predicted, such as natural disasters, fires, riots and wars.