

Initiatives for society

▶ Basic Policy (Fundamental concept)

Suppliers

To achieve its social responsibility, together with its suppliers, across the entire supply chain, ISEKI Group's basic policy is that "the relationship with suppliers should be fair and equitable and it will not abuse its privileged position in the trade to give unfair and disadvantageous treatment to suppliers."

Local communities

The basic rules of ISEKI Group include "to actively contribute to local communities as a member responsible for society." ISEKI Group works on contributing to society through its business activities aiming for the mid- to long-term development of local communities.

Promotion of CSR procurement

In order to jointly promote, with its suppliers, procurement activities that take social responsibility into account, ISEKI Group has established ISEKI Group CSR Procurement Guidelines, promoting CSR procurement. The Group checks the status of suppliers' initiatives for CSR through questionnaire surveys, and reconfirms contents and make improvement proposals, etc. in relation to suppliers whom CSR risks are concerned for. We work to strengthen cooperation with suppliers through actions such as explaining the state of ISEKI Group's management and CSR procurement at business report meetings and IR information meetings for vendors and holding superior company tours. In 2023, we held two business report meetings and six training sessions for major suppliers to our factories in Japan to have opportunities for dialogue.

● Matters requested to suppliers

- ① Customer satisfaction and quality assurance
- ② Legal compliance and ethical corporate activities
- ③ Respect for human rights and creation of a healthy and safe workplace
- ④ Environmental preservation and green procurement
- ⑤ Co-existence with local communities and international cooperation
- ⑥ Management transparency and accountability

Initiative undertaken in 2023	Target	Result
Rate of responses to CSR procurement questionnaire surveys	80%	86%



For details, please refer to the Company's website.
<https://www.iseki.co.jp/sustainability/social/supplychain/> (in Japanese)

Initiatives for complying with the Act against Delay in Payment of Subcontract Proceeds, etc. to Subcontractors and prevention of corruption

The Group provides continuous education and training concerning the Act against Delay in Payment of Subcontract Proceeds, etc. to Subcontractors (the "Subcontract Act") and compliance to ensure fair and equitable transactions with suppliers. Regular reports on the status of our initiatives for education and training are made from the Compliance Working Group to the ESG Committee. In FY2023, ISEKI was subject to no legal action under the Subcontract Act.

- ① Reaffirmation of what violates the Subcontract Act and compliance with recurrence prevention measures
- ② Explanation on the details of recurrence prevention measures; Ethical Hotline
- ③ Participation in an outside seminar on the Subcontract Act
- ④ Compliance education (Code of Ethical Behavior, Casebook of Scandals, etc.)
- ⑤ CSR education (CSR procurement guidelines, etc.)

Co-existence with local communities

ISEKI Group has proactively conducted social contribution activities to co-exist with local communities. For the development of local communities, we are working to contribute to society through business activities.

➤ Activities for contribution to the local community and environment

We conduct cleaning activities in local communities and at our offices as part of corporate citizen activities oriented to the local community and environmental education for employees.



Beach cleaning using tractors and specially made implements

➤ Education activities for next generation

We conduct food and agricultural education for the next generation through activities such as holding drawing contests, exhibiting products at food and agricultural events, and holding visiting lectures.



Visiting lecture focusing on agriculture and SDGs

➤ Activities for development of local communities in collaboration with local governments

We conduct activities to contribute to the realization of sustainable agriculture through initiatives in collaboration with local governments and other partners throughout Japan.



Partnership agreement with Uda City, Nara Prefecture on creation of production areas for agriculture in harmony with the environment



For details, please refer to the Company's website. <https://www.iseki.co.jp/sustainability/social/contribution/> (in Japanese)