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Harmonic Drive Systems Group Policies on Human Rights

The Management Principles of the Harmonic Drive Systems Group comprises four pillars: Respect for the Individual, Creating a Meaningful Company, Coexistence and Co-prosperity, and Contribution to Society. To fulfill our obligations as a corporate enterprise in showing respect for human rights in accordance with our philosophy, we hereby establish these Harmonic Drive Systems Group Policies on Human Rights (hereinafter, the “Policies”) in keeping with the United Nations Guiding Principles on Business and Human Rights, endorsed by the UN Human Rights Council in June 2011.

1. Applicable Scope

These Policies shall apply to all company officers, employees, temporary workers, and other individuals engaged in duties at all facilities of the Harmonic Drive Systems Group (hereinafter, the "Company Officers and Employees"). Furthermore, we expect that all suppliers and other business partners of the Harmonic Drive Systems Group will show understanding and support for these Policies, and we will request and continually advise that they endeavor to demonstrate respect for human rights.

2. Responsibility to Respect Human Rights

The Harmonic Drive Systems Group will demonstrate respect for human rights as defined in relevant international covenants, including the International Bill of Human Rights, the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work, and the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct. The Harmonic Drive Systems Group understands that its business activities have the potential to negatively impact human rights, and shall ensure that they do not infringe upon or otherwise negatively impact the human rights of others.

3. Governance and Promotion Framework

The Harmonic Drive Systems Group has designated the executive officer for the Sustainability Management Office as the company officer responsible for these Policies. Any revisions to these Policies shall be submitted for discussion, as necessary, to the Board of Directors by the Sustainability Committee, which is composed of executive directors and chaired by the President, Representative Director. The Sustainability Management Office will serve as the secretariat for the Sustainability Committee and promote activities pertaining to these Policies.

4. **Human Rights Due Diligence**

The Harmonic Drive Systems Group will devise mechanisms for human rights due diligence, in conformance with the UN's Guiding Principles on Business and Human Rights. Further, it will identify negative impacts on human rights and take action to prevent or mitigate them.

5. **Remedies and Relief**

Should the Harmonic Drive Systems Group be found to have caused a direct or indirect negative impact on human rights, it will promptly devise relief measures and take remedial action. If necessary, it will pursue such actions together with its business partners. In the event a negative impact is disclosed through a whistleblower framework or similar channels, the Harmonic Drive Systems Group will endeavor to protect said whistleblower and ensure that their interests are not harmed.

6. **Dialogue and Negotiations with Stakeholders**

The Harmonic Drive Systems Group will engage in dialogue and negotiate in good faith with stakeholders whose business activities are affected by the implementation of these Policies.

7. **Dissemination and Education**

To ensure that these Policies are properly understood by the Company Officers and Employees and put into practice in our business operations, we will implement appropriate measures in education and request and advise that our business partners also put these Policies into effect.

8. **Information Disclosure**

The Harmonic Drive Systems Group will disclose information through its website on the status of progress in ensuring respect for human rights based on these Policies.

9. **Compliance with Applicable Laws**

The Harmonic Drive Systems Group will fully comply with all applicable laws and regulations in the countries and regions where it conducts its business. In the unlikely event of inconsistencies arising between international covenants on human rights and the laws and regulations of a country or region where it conducts its business, the Harmonic Drive Systems Group will strive to respect internationally recognized human rights.

10. **Priorities for Human Rights and Policy Revisions**

The Harmonic Drive Systems Group is cognizant of the priorities for human rights listed in the accompanying Supplement and will make efforts to demonstrate respect for human rights in keeping with the Policies described herein. In the interest of responding to changing human rights-related priorities and demands prompted by social trends and the business environment, these Policies and the priorities for human rights listed in the accompanying Supplement shall be subject to periodic review and revisions as appropriate.

These policies were approved at a meeting of the Harmonic Drive Systems Inc. Board of Directors that convened on November 20, 2024.

November 20, 2024

Akira Maruyama

President, Representative Director

Harmonic Drive Systems Inc.

[Supplement] Harmonic Drive Systems Group Human Rights-related Priorities

1. Prohibition of Discrimination and Harassment

The Harmonic Drive Systems Group considers the promotion of diversity, equity, inclusion, and belonging to be important pillars of its business. It will not engage in discrimination based on gender, gender identity, nationality, race, ethnicity, religion, creed, sexual orientation, disability, age, or family structure, nor will it engage in acts that are an affront to personal dignity, including sexual harassment, power harassment, and pregnancy harassment.

2. Prohibition of Forced Labor, Child Labor, and Human Trafficking

In keeping with the laws of the countries and regions where it conducts its business, the Harmonic Drive Systems Group will never engage in acts of forced labor or child labor, including human trafficking and slavery. In the event activities involving these forms of labor are discovered, we will implement measures in assistance and relief for the victims.

3. Respect for the Basic Right to Work

In accordance with the laws and regulations of the countries and regions where it conducts its business, the Harmonic Drive Systems Group will respect the right of workers to freely form and join labor unions and engage in collective bargaining for the purpose of establishing labor contracts that stipulate the relationships between workers and employers. Additionally, to ensure the maintenance of favorable relations between labor and management, we will provide required information on request and engage in negotiations and the exchange of views in good faith.

4. The Right to Safe, Clean, Healthy Work

To ensure that all individuals working at all of its business facilities are able to fully demonstrate their abilities through their work, the Harmonic Drive Systems Group will observe all applicable laws, policies, and internal regulations concerned with health and safety and will endeavor to create work environments that promote and sustain worker health and safety and provide pleasant working conditions.

5. Proper Handling of Personally Identifiable Information

In accordance with the laws and regulations of each country on the protection of personal information, the Harmonic Drive Systems Group will endeavor to ensure the proper handling of all personally identifiable information.

6. Respect for Privacy

In accordance with the laws and regulations concerning privacy in each country, the Harmonic Drive Systems Group will demonstrate respect for personal privacy.

7. Appropriate Wages (Living Wages) and Work Hours

The Harmonic Drive Systems Group recognizes its responsibility as an active member of each community and society where it operates, and as such, shall pay a living wage above the minimum wage and manage work hours appropriately to ensure that all employees at all of its business facilities are able to lead prosperous, dignified, and culturally enriching lives.

Harmonic Drive Systems Inc.