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**YKK AP AMERICA INC.
BASIC PRINCIPLES OF PROCUREMENT**

YKK AP America Inc.'s suppliers are expected to comply with these principles.

Article 1. Compliance with Laws and Regulations

1. Comply with all applicable laws and regulations in countries and/or areas where you conduct business activities.
2. Comply with all contracts entered into with YKK AP America Inc.

Article 2. Fair and Ethical Trade Practice

1. Comply with all laws to protect fair trade practices such as fair competition laws and anti-bribery laws.
2. Do not conduct or cause third-parties to perform any illegal acts.
3. Do not infringe on intellectual property rights of others.
4. Warrant that the products delivered do not contain conflict minerals.
5. Provide consumers and YKK AP America Inc.'s customers with accurate information relating to products and services.
6. Maintain a system for controlling export of technologies and articles regulated by laws and regulations and carry out adequate export procedures.
7. Take necessary measures to prevent fraudulent actions and develop a system for discovering such fraudulent actions early and taking necessary measures against them.

Article 3. Human Rights

1. Respect human rights.
2. Do not tolerate the use of child labor, slave labor or forced labor.
3. Do not engage in discriminatory treatment in respect of wages, working hours and other working conditions of employees.
4. Respect employees' freedom of association.

Article 4. Wages

1. Pay employees wages not less than the statutory minimum wages specified in applicable laws and regulations.
2. Comply with all applicable overtime laws and regulations.

Article 5. Working Hours

1. Comply with all applicable laws and regulations regarding employees' working hours.

Article 6. Safety and Health/Working Environment

1. Ensure the safety and health of employees in the workplace.
2. Install firefighting equipment in the workplace and ensure that emergency evacuation routes exist.
3. Comply with all laws and regulations regarding temperature, ventilation, and noise levels in the workplace.
4. Prohibit sexual harassment in the workplace.
5. Provide free personal protective equipment in order to ensure the safety and health of employees in the workplace.
6. Implement benefit programs for employees.

Article 7. Environment

1. Dispose of waste pursuant to applicable laws and regulations.
2. Comply with applicable environmental laws and regulations such as soil contamination control laws, pollution control laws, and air pollution control laws.
3. Store, label, and handle hazardous materials in compliance with applicable laws and regulations.
4. Construct and adequately operate an environmental management system and disclose results of environmental activities as necessary.
5. Continuously endeavor to effectively utilize resources and energy, reduce greenhouse gases emissions, and reduce waste.

Article 8. Quality and Product Safety

1. Deliver products pursuant to the quality and product safety standards specified by YKK AP America Inc.'s instruction.
2. Construct and adequately operate a quality management system, and continuously improve product quality.

Article 9. Audits

1. Retain documents and records to adequately prove compliance with the matters set forth in this memorandum of understanding.
2. Allow, upon request, inspection and copy the documents and records set forth in the preceding paragraph, provided that YKK AP America Inc.'s business secrets are kept confidential.
3. Allow YKK AP America Inc.'s or a third party to conduct an audit and cooperate with such audit.
4. Failure to comply with this memorandum of understanding may result in YKK AP America Inc.'s early termination of contracts.