

# SUPPLY CHAIN PROCEDURE

## (Moving Department)

This Supply Chain procedure is reviewed at least once a year by the Management of Tokyo Freight Services, updated when necessary, communicated to Tokyo Freight Services staff and made available in our website and internal processes and procedures as part of Tokyo Freight Services' QMS and FAIM requirements.

## **PURPOSE**

This procedure is established to:

- ✓ describe the processes we use in evaluating, selecting and monitoring of service providers for our international moves
- ✓ to demonstrate how we control and guarantee a quality performance in our Supply Chain.

## **SCOPE**

This Supply Chain procedure is applicable whether Tokyo Freight Services acts as a booker, origin agent or destination agent.

## **RESPONSIBILITY**

### **Managing Director / CEO / General Manager**

The Top Management of Tokyo Freight Services shall ensure that the implementation of this procedure is communicated throughout the organization.

### **Dept. heads/Section in-Charge**

The Moving Manager and/or Operation Manager in the Moving Department of Tokyo Freight Services shall ensure that this Supply Chain procedure is not only communicated and implemented effectively throughout their respective processes, but also, a thorough review procedure is carried out once a year to guarantee a quality performance among its service providers.

### **All Staff Members in the Moving Department**

All staff involved in the moving activities of Tokyo Freight Services shall adhere to this procedure.

## 1. SERVICE PROVIDER MANAGEMENT

Tokyo Freight Services can either act as a Booker, origin agent and destination agent. We provide a one-stop logistical solution where all services provided are in-house such as:

- Transportation: We use our own owned and registered vehicles and drivers for collections and pickup.
- Warehousing: The warehouse we use for storage of goods is leased, supervised and managed by the company's own resources.
- Freight services: We have our own freight forwarding operational personnel to carry out the forwarding services needed in shipping goods both in sea and air. This department handles the cargo booking with the chosen liners or carrier/s and other internal coordination required among consolidators and forwarders.
- Customs clearance: We have our own clearance license and company-sponsored customs clearing agents assigned in all ports in Qatar – Hamad port, Hamad airport and Ruwais port - to process all cargo clearances in/out of Qatar.

### **Selection, Approval and Evaluation of Main Service Providers**

The main service providers of Tokyo Freight Services in the removal activities are the origin/destination agents. They are selected and/or approved to handle the job based on below considerations:

- ✓ A company must be a member of the same network, i.e, FIDI, IAM, where Tokyo Freight Services is also a member.
- ✓ A mutual business cooperation has been initiated in the past.
- ✓ Price competitiveness.
- ✓ Quality level and performance.

### **Internal Process**

The Move Coordinator of Tokyo Freight Services can check for agent's list from the directory of a network. However, the Coordinator can only send rate requests and other inquiries to a Service Provider after verifying that the said company meets the criteria mentioned above. This can be either done by checking the Flotilla system whether a company is a registered and approved supplier/agent, or by confirming it with the Operation Manager.

Should there be a service failure encountered with the selected supplier / agent, the move coordinator shall discuss it internally and accordingly, the Department Manager or Operation Manager shall investigate on the case and define the action / prevention plans among involved parties.

It is also imperative that the customer / transferee is notified of any service failure encountered during the duration of the move by writing.

In case of unprofessional conduct and very poor performance shown by the selected supplier / agent, the moving coordinators / operations shall be refrained from using their services again, unless otherwise the said supplier / agent has demonstrated and implemented corrective and preventive measures to avoid recurrence of the problem.

## 2. QUALITY MANAGEMENT

Tokyo Freight Services adheres to our quality procedures as emphasized in our Integrated Management System policy (Appendix 01).

To ensure the success and continuity of our removal business activities, our objectives focused on:

- providing a fast, reliable and quality service to our customers (individual, corporate accounts and agents) always.
- achieving a 100% positive customer satisfaction from our customers, making them want to use our services again and/or make recommendations for us.
- acquiring at least 15 internationally booked shipments per year.

The services that are used to fulfill the business transactions among our customers (individual, corporate accounts and bookers) are all taken internally, therefore, it is highly imperative that our service providers, mainly the selected overseas origin and destination agents are not only in compliance with our own quality standards but ensure they meet FAIM minimum requirements which embodies the following:

- ❖ FAIM Standard Awareness in our supply chain
- ❖ Communication, where our service providers are well communicated about our supply chain procedure either at the time of quoting, giving of shipping instructions and/or further mail correspondences.
- ❖ Escalation / corrective actions process, where major complaints and service failures are registered in compliance with our Integrated Management System. These supply chain-related issues are handled with sincerity and objectivity to come up not only with immediate corrective actions to resolve them, but preventive measures to avoid recurrence of the same in the future.

## 3. DATA (PRIVACY) PROTECTION MANAGEMENT

This procedure covers all documents, quality records, and data generated internally and externally by Tokyo Freight services that has any relation to its business activities.

- **Management:** We define documents, communicate, and assign accountability for our privacy policies and procedures.
- **Notice:** We provide notice about our privacy policies and procedures and identify the purposes for which personal information is collected, used, retained, and disclosed.
- **Choice and consent:** We describe the choices available to the individual (private customers, corporate accounts or agents) and obtain implicit or explicit consent with respect to the collection, use, and disclosure of personal information.

- **Collection:** We collect personal information only for the purposes identified in the notice.
- **Use, retention and disposal:** We limit the use of personal information to the purposes identified in the notice and for which the individual (private customers, corporate accounts or agents) has provided implicit or explicit consent. We retain personal information for only if necessary, to fulfil the stated purposes or as required by law or regulations and thereafter appropriately disposes of such information.
- **Access:** We provide individuals (private customers, corporate accounts or agents) with access to their personal information for review and update.
- **Disclosure to third parties:** We disclose personal information to third parties only for the purposes identified in the notice and with the implicit or explicit consent of the individual.
- **Security for privacy:** We protect personal information against unauthorized access (both physical and logical). We shall delegate the actual notification to the Admin and IT Head to prepare a detailed documentation of every breach of security leading to the destruction, loss, alteration or unauthorized disclosure of or access to personal data.
- **Quality:** We maintain accurate, complete, and relevant personal information for the purposes identified in the notice.
- **Monitoring and enforcement:** We monitor compliance with its privacy policies and procedures and has procedures to address privacy related complaints and disputes.

Data subjects may inquire or request for information regarding any matter relating to the processing of their personal data under the custody of Tokyo Freight Services, including the data privacy and security policies implemented to ensure the protection of their personal data. They may write to Tokyo Freight Services at [info@tokyofreight.com](mailto:info@tokyofreight.com) and briefly discuss the inquiry, together with their contact details for reference.

#### 4. ANTI-BRIBERY AND ANTI-CORRUPTION MANAGEMENT

Tokyo Freight Services WLL Management pledge to take a zero-tolerance approach to bribery and corruption by acting professionally, fairly and with the utmost integrity in all business dealings and relationships.

Bribery is the offering, promising, giving, accepting or soliciting of an advantage as an inducement for action. It is illegal, and it is a breach of trust.

A bribe is an inducement or reward offered, promised or provided in order to gain a commercial, contractual, regulatory or personal advantage.

## The Management of Tokyo Freight Services will not tolerate Bribery

Corruption, bribery or attempted bribery is unacceptable. This applies whether offering a bribe or accepting a bribe. It is against our core values of conducting business to the highest legal, moral and ethical standards.

In Tokyo Freight Services, we pledge to:

- Never offer or make an improper payment or authorise an improper payment (cash or otherwise) to any individual and/or organization.
- Never offer, or accept, money or anything of value, such as gifts, kickbacks or commissions, in connection with the procurement of business or the award of a contract.
- Never offer or give any gift or token of hospitality to any employee or government official or representative if there is any expectation or implication for a return favour.
- Never accept any gift from any business partner and/or customers if there is any suggestion that a return favour will be expected or implied.
- Never facilitate payments to obtain a level of service which one would not normally be entitled to.
- Never induce or assist another individual to break any applicable law or regulation.
- Never disregard or fail to report any indication of improper transactions to the appropriate authorities.
- Never engage in any form of bribery, either directly or through any third party.

Tokyo Freight Services fully understands the negative impact of bribery and corruption in the industry; hence, we are determined to mitigate the risks involved in doing these practices, thereby, protecting the best interest of our business, stakeholders and our customers.

This commitment addressed the following elements:

- ❖ **Risks:** We perform risk assessment towards our Supply Chain to mitigate the risk of bribery and corruption. This is continually discussed during regular meetings among top management, sales and operation team.
- ❖ **Due Diligence:** We take appropriate due diligence towards our Supply Chain to mitigate the risk of bribery and corruption. Any employee who is found guilty of this act shall face an immediate disciplinary action and/or termination of service, whichever deemed necessary.
- ❖ **Communication:** We communicate our policies and procedures to our Supply Chain to mitigate the risk of bribery and corruption by submitting clean and transparent quotations and proposals.

## 5. ANTI-TRUST MANAGEMENT \*

The Management and Employees of Tokyo Freight Services WLL especially the sales teams understand the values contain in abiding the highest ethical standards of fair competitions. No one is permitted to conspire among competitors to fix prices directly or indirectly. This is regularly communicated during the weekly and monthly meetings.

**Cartel** is defined as an agreement, concerted practice or conspiracy among competitors to fix prices, submit collusive tenders, divide or share markets, and more generally restrict competition. It is the most egregious violation of Anti-Trust Laws in most jurisdictions, which may lead to the imposition of significant fines as well as, in certain jurisdictions, criminal penalties.

### **Tokyo Freight Services Will Not Tolerate Cartel Conduct**

We respect the Anti-Trust laws and regulations which we operate and involvement in cartel is unacceptable, as it is against the FIDI's core values of competing freely and fairly.

### **Undertaking by Tokyo Freight Services with Immediate Effect**

We commit to legal and ethical behaviour, and to refrain from engaging in any business that will hard the interest of FIDI and other affiliates, clients, or the industry. We will take steps to ensure that we are fully informed of applicable Anti-Trust laws and regulations in connection with cartel conduct and other Anti-Trust violations and will monitor our employees and business partners to ensure full and continual compliance.

### **Legal Compliance**

We will ensure that we are aware of all applicable laws and regulations covering anticompetitive practices in all jurisdictions in which we operate, and that we will obey and uphold those laws and regulations as well as those in connection with cartels.

### **Ethical Behaviour**

We pledge to take a zero-tolerance approach to cartel conduct and will act professionally, fairly and with the utmost integrity in all business dealings and relationships at all times.

## Code of Conduct

We agree and commit to the Anti-Trust Charter and undertake to:

1. Never make direct or indirect (via third parties including agents, suppliers or customers) contact with an actual or potential competitor or other third party, the object of which is to engage in cartel behaviour.
2. Never propose or reach an agreement, whether directly or indirectly, formally or informally, with actual or potential competitors, regarding any sensitive competition-relation issues, including:
  - Fixing prices
  - Dividing or sharing markets, customers or territories
  - Rigging a competitive bidding process
3. Report any indication or initiative of improper anticompetitive business conduct by an actual or potential competitor in accordance to our internal reporting procedure, including but not limited to, reporting to our legal department and/or to the relevant Anti-Trust authorities.
4. Not to participate in a meeting of a trade association in which sensitive competition-related issues are discussed. If such subjects are raised during a meeting, employees of Tokyo Freight Services must immediately ask for the discussion to end. If not, they must leave the meeting and ask for that to be noted in the minutes of meeting.
5. Ensure that all internal and external correspondence, including emails and texts, and documents, discussions and public statements do not contain any statements that might be misinterpreted by third parties or Anti-Trust authorities and courts in the context of a potential Anti-Trust investigation.
6. Maintain independent judgment in pricing or selling of any products and/or services.
7. Limit any information discussed during commercial negotiations, with or disclosed to competitors or other third parties, to that which is strictly necessary for completing or assessing the transaction.

Tokyo Freight Services pledge to abide by the highest ethical standards and to free and fair competition; hence, as FIDI Affiliate, we are determined to support the fight against cartels.

By signing the FIDI Anti-Trust Charter and as demonstrated in FD 5.7 FIDI Quality Manual, our employees (whether permanent or temporary) and all other third-party service providers are well-guided by this Chapter, which addressed the following elements:



- ❖ Risks: We perform risk assessment towards our Supply Chain to mitigate the risk of bribery and corruption. This is continually discussed during regular meetings among top management, sales and operation team.
- ❖ Due Diligence: We take appropriate due diligence towards our Supply Chain to mitigate the risk of bribery and corruption. Any employee who is found guilty of this act shall face an immediate disciplinary action and/or termination of service, whichever deemed necessary.
- ❖ Communication: We communicate our policies and procedures to our Supply Chain to mitigate the risk of bribery and corruption by submitting clean and transparent quotations and proposals.