

# Code of Conduct of the Ahresty Group

The Ahresty Group shall conduct its business activities with the trust of its stakeholders as a starting point and keeping in mind the business concept of constantly raising the value of the company. “Code of Conduct of the Ahresty Group” summarizes essential provisions to be followed when concrete actions are taken in order to realize the spirit of our management principles from a compliance perspective. This shall have preference in any corporate activities of the Ahresty Group.

Executives and employees and other staff/associates (including agency-dispatched contract employees) of the Ahresty Group shall be required to engage in fair corporate activities based on this Code of Conduct, observing laws and company rules, performing honest and fair business activities that do not violate social norms, and appropriately understanding and strictly following rules related to business activities.

If any violation of this Code of Conduct, laws or corporate rules is confirmed, companies of the Ahresty Group shall take necessary procedures such as investigating the facts, establishing countermeasures, reporting to the monitoring authorities, penalizing violators, and establishing preventive measures, in accordance with the corporate rules.

Code of Conduct of the Ahresty Group consists of the following seven chapters.

## **Chapter 1 Compliance with Laws**

(rules pertaining to intent of norms and responsibility of compliance)

- Chapter 2 Relationship with Clients and Partners**  
(rules pertaining to open competition, fair trade etc.)
- Chapter 3 Relationship with Shareholders and Investors**  
(rules pertaining to corporate information, insider trading etc.)
- Chapter 4 Relationship with Employees**  
(rules pertaining to respect of human rights, privacy protection etc.)
- Chapter 5 Management of Corporate Assets and Information**  
(rules pertaining to trade secrets, intellectual property etc.)
- Chapter 6 Relationship with Society**  
(rules pertaining to endowment acts, political contributions etc.)
- Chapter 7 Operating Procedures**  
(Detailed explanation omitted in this Handbook.)

\*Refer to AS (Ahresty Standards) for the Chapter 7.

### Chapter 1 Compliance with Laws

1. Intent and scope of the Code of Conduct  
This Code of Conduct shall define rules for daily business operations to be followed by all executives (including those equivalent to executives. Hereinafter regarded as the same) and employees and other staff/associates (executives and employees and other staff/associates are hereinafter collectively called “we”) in order to realize the social responsibility taken by the Ahresty Group, to comply with rele-

- vant laws in all corporate activities, and to recognize that it is essential to perform activities that conform with social ethics to increase corporate value of the Ahresty Group.
2. Compliance with law norms  
We shall not only observe laws but also respect social ethics and endeavor to perform fair corporate activities.
    - (1) We shall observe applicable laws.
    - (2) In addition to observing international rules and laws of each country, we shall respect customs and cultures of the countries where companies of the Ahresty Group have business operations.
    - (3) We shall thoroughly understand corporate ethics and act in a sensible and responsible manner as a member of society.
  3. Compliance with corporate rules  
We shall adequately understand management principles, Corporate Philosophy, and 10-Year Vision, perform individual duties with sincerity, and follow corporate rules including labor regulations, regulations regarding safety and health, and respective operating procedures.
  4. Responsibility to comply with Code of Conduct
    - (1) We shall honestly perform the items specified in this Code of Conduct
    - (2) Executives and persons in management positions must work on providing, establishing and maintaining the working environment that would allow the employees under their supervision to follow this Code of Conduct and shall

supervise and monitor them.

- (3) To ensure that corporate activities comply with this Code of Conduct, relevant departments shall disseminate Compliance Principles and Code of Conduct of the Ahresty Group internally, provide advice and guidance in reference to the actual compliance rules and perform other necessary activities.

### Chapter 2 Relationship with Clients and Partners

#### 1. Superior products and service

- (1) While manufacturing, developing, selling, storing, and repairing products, we shall pay attention to safety and shall also thoroughly understand and comply with laws and safety standards relevant to product safety.
- (2) We shall provide appropriate and precise information regarding our products and services.

#### 2. Fair trade and open competition

- (1) We shall establish and keep fair and transparent relationships with our partners and do business honestly with them.
- (2) We shall trade with all our partners on the basis of the principle of open competition and observing antimonopoly and other relevant laws. We shall not perform bid-rigging, cartel agreements and other activities that prevent fair and open competition

#### 3. Trade with suppliers

We shall have trade with suppliers in a fair and appropriate manner with good sense and honesty.

- (1) When selecting a supplier from multiple vendors, we shall fairly compare and evaluate quality,

price, delivery terms, technology development ability, stable supply, management ability and other conditions to determine the most appropriate business partner.

- (2) We shall not use our dominant position to unjustly cause disadvantages to suppliers.
  - (3) When outsourcing manufacturing and business operations, we shall make contracts and conduct transactions with the business partners on the basis of full understanding of Act against Delay in Payment of Subcontract Proceeds, etc. to Subcontractors and ensuring that no delays in payment occur.
- #### 4. Business entertainment, gift-giving (prohibition of giving and acceptance of bribes)
- (1) We shall not accept or provide any socially inappropriate business entertainment or gift-giving.
  - (2) We shall not provide prohibited business entertainment or gifts to public officials and those equivalent to public officials.
- #### 5. Compliance with laws related to import and export
- Regarding import and export trade of products, technologies and services, we shall observe the Foreign Exchange and Foreign Trade Act and other regulations defined in domestic and international laws, and shall follow specified procedures.
- #### 6. Appropriate advertising
- When issuing documents or providing information for advertising or sales purposes, we shall provide useful and factual information in an honest manner to avoid causing any misunderstanding to the customers.

### Chapter 3 Relationship with Shareholders and Investors

#### 1. Disclosure of management information

- (1) We shall strive to disclose the information regarding corporate management status and overall corporate activities on a timely basis and in an appropriate manner to keep our shareholders and investors precisely informed.
- (2) We shall disclose our corporate information at the appropriate time and in a suitable manner, taking into account the need to maintain confidentiality.

#### 2. Prohibition of insider trading

Observing Financial Instruments and Exchange Act, we shall not sell, buy or perform other actions with company's stocks with knowledge of critical information of the company before such facts are disclosed to the public.

\* When selling or buying stocks of Ahresty Corporation, notification shall be made to Corporate Information Control General Manager by submitting "Notification about trading company's stock", at least 5 days prior to the relevant transaction.

\* Refer to AS (Ahresty Standards) for details regarding insiders trading.

### Chapter 4 Relationship with Employees

#### 1. Respect of human rights, prohibition of discrimination

We shall strive to maintain a healthy work environment, shall respect human rights and shall not perform any activity that could lead to discrimination.

- (1) We shall strive to maintain a sensible work en-

vironment, shall respect human rights, and shall not perform any discrimination.

- (2) We shall not discriminate people on the basis of age, sex, place of birth, nationality, race, religious beliefs, hobbies, academic background, disabilities, sexual orientation etc.

#### 2. Handling of personal information

Personal information obtained through our business activities, whether directly or indirectly, shall be strictly controlled and shall not be used for anything other than business purposes. Additionally, we shall strictly protect information from leaking out.

#### 3. Health and safety of office

Observing the labor relation laws, we shall strive to establish a safe and healthy work environment.

#### 4. Prohibition of harassment

To establish a healthy work environment, we shall not condone any harassment.

Harassment specified here shall include "sexual harassment", "power harassment", and "other harassment".

- (1) We shall not sexually harass others or engage in any activities that may be misunderstood by others as sexual harassment.
- (2) We shall not harass others on the basis of authority or other power with actions or words that would be considered to be unreasonable from an objective perspective.
- (3) We shall never perform any action or say anything that would make others feel uncomfortable and shall strive to prevent others from do-

ing so.

### 5. Communication

- (1) We shall aim at smooth communication system with our employees and other staff/associates by informing them that the company's decisions are made on the basis of laws and corporate rules. Furthermore, we shall set the following as guiding principles and shall practice them.
  - We shall sincerely listen to the opinions of our partners and shall respond on our own initiative.
  - We shall share information speedily and precisely.
  - We shall share the goals and context of all business operations and shall strive for improvement.
- (2) We shall be aware of our responsibility as a social member and strive not to do or say anything that deviates from social common sense in our private lives, too.

### 6. We shall provide a corporate consultation service: Compliance Reporting System

Please report or declare actions that violate or may violate this Code of Conduct, laws or corporate rules.

## Chapter 5 Management of Corporate Assets and Information

### 1. Proper accounting procedures

We shall make correct entries to accounting books and slips, complying with related laws and corporate rules.

### 2. Management of confidential information

We shall store confidential information properly and shall not disclose it or let it leak outside the company without permission.

- (1) Confidential information of our company and other companies shall be strictly controlled and must not be used for anything other than business purposes.
- (2) When disclosing confidential information of the company outside the company, we shall conclude nondisclosure agreements to prevent leakage.
- (3) We shall not steal confidential information from other companies, or use such information for anything other than permitted purposes.

### 3. Management and proper usage of corporate assets

We shall use corporate assets efficiently and understand the necessity to keep them in usable condition at all times.

Irrespective of tangible or intangible assets, we shall keep them from damage or theft and shall not appropriate them for personal or other purposes except intended use. We shall not use corporate assets or expenses for personal purposes.

### 4. Proper document control

We shall understand the importance of control of information of documents and records and shall control them properly.

### 5. Use of information system

- (1) We shall use the company information system only for business purposes, and shall not use it for personal purposes.

- (2) We shall strictly control user IDs and passwords related to the information system, and prevent them from being leaked.
  - (3) We shall not steal IDs and passwords of others, or break into the computer system of others.
  - (4) We shall treat stored media with care, and ask for permission to take them outside of company premises.
6. Protection of and respect for intellectual property
- We shall understand that intellectual property of the company is an important corporate asset, utilize it properly and strive to preserve the rights of intellectual property.
- (1) Regarding the inventions based on manufacturing and development activities, we shall strive to maintain and preserve intellectual property (patent rights, utility model rights, design rights, trademark rights, copyright etc.) of the company by promptly conducting specified procedures.
  - (2) We shall respect intellectual property of other companies (other persons) and make appropriate agreements if we use it for our business purposes. We shall not intentionally violate or misuse these rights.
  - (3) We shall not engage in any activities that violate intellectual property of others such as unauthorized copying of software.

### Chapter 6 Relationship with Society

#### 1. Endowment acts and political contributions

- (1) We shall consider the necessity and adequacy of the endowment act to be conducted.

- (2) For political funds, contributions, election and political activities, we shall observe related laws such as the Political Funds Control Law and the Public Officers Election Law and shall conduct activities in a proper manner.
2. Prohibition of engagement in anti-social activities
- We shall respond to any anti-social force or organization that threatens the order and safety of civil society with a resolute attitude, and firmly refuse any requests or demands of unreasonable dealings with them. When a problem occurs, we shall unite and solve it together and shall not have employees and other staff/associates deal with it individually.
3. Preservation and protection of environment
- (1) Regarding research, development, manufacturing, sales and disposal of products, we shall observe environmental laws and treaties and manufacture environmentally friendly products with sufficient understanding of the importance of preserving the environment.
  - (2) Even as an individual, each of us shall consider environmental problems as an important issue for executing our business and actively work on solving these issues.
4. Contribution to society
- We shall positively participate in social contribution programs as a corporate citizen, and use our corporation for regional revitalization through communication with the community.