

# Moriroku Group Conduct Guidelines

We will engage in the following conduct in order to contribute to enhancing the corporate value of each member company of the Moriroku Group and help build a sustainable society.

## 1. Compliance

### (1) Compliance

We will accord the highest priority to complying with laws, regulations and the rules that exist both within and outside our organization in all of our activities, and engage in ethical conduct in line with social norms as members of society.

In addition to understanding the nature of laws, regulations and the rules that exist both within and outside our organization that apply to the products and services we personally oversee, we comply with procedures for permits, etc. that are required under laws, regulations and so forth.

In cases where something is unclear with respect to the interpretation of laws, regulations, etc., we will check with our legal department, government agencies or external specialists, and only take action after properly understanding the area in question.

### (2) Proper Reporting and Disclosure

We will proactively and promptly report information to our supervising managers and top management, be it negative information or otherwise. Additionally, even in cases where we have received a report on negative information, we will ensure to properly listen to that report without censure or criticism.

We will not enter, input, submit, report or disclose false or fictional information; doctor any records; or conceal any facts.

### **(3) Appropriate Management and Use of Information**

We will properly and prudently manage confidential information, customer information and personal information belonging to our organization as well as confidential information belonging to another party, and will not divulge said information to a third party nor use it for anything other than its designated purpose.

With respect to the gathering, use, storage, disclosure, disposal, etc. of personal information, we will ensure to properly handle personal information while complying with pertinent laws, regulations, internal rules, etc.

In cases where insider information has come to our knowledge in the course of our duties, until that information has been made publically available, we will not engage in any buying and selling of shares, etc. that constitute insider trading or may be suspected of constituting such; nor will we provide insider information to customers, family members, friends, etc. or solicit their participation in acts of buying and selling consistent with the above.

### **(4) Appropriate Management and Use of Corporate Assets**

We will manage corporate assets, be they tangible or non-tangible, in accordance with internal rules, etc., and handle them appropriately so as to prevent their leakage, loss, theft, and so forth.

We will not use corporate assets or corporate expenses for any purpose not associated with company business. This includes diverting said assets or expenses to personal agenda.

We will use IT systems belonging to the company only for purposes associated with company business, and not for any form of personal agenda. Moreover, we will ensure to manage IDs and passwords with prudence and prevent them from leaking to an external party.

### **(5) Prohibition of Acts that Create Conflicts of Interests**

We will not engage in any acts in the interest of ourselves, a business partner or a third party that will run contrary to the interests of our organization.

## **(6) Fair and Equitable Business Dealings**

We will have absolutely no part of nor involvement in cartels (arrangements over the price of products and services with parties in the same business, the allocation of quantities, regions, customers, etc. with said parties, and so forth) or bid-rigging.

In conducting sales activities, we will not express ourselves in any way that may be contrary to the facts or cause misunderstanding with respect to the quality, performance, etc. of our products and services.

When selecting suppliers out of multiple vendors available, we will decide upon the most ideal business partners following a fair comparison and evaluation of various conditions that include quality, price, delivery, skill, and stable supply.

## **(7) Sound Relationship with Business Partners, Public Servants, Society, Etc.**

We will not offer the executives and general employees of business partners, etc. with gifts, hospitality or other forms of economic gain that go beyond conventional wisdom. Simultaneously, we will not accept any forms of economic gain that go beyond conventional wisdom from executives and general employees of business partners, etc.

We will not offer domestic or overseas public servants or equivalent parties money, gifts, hospitality or other forms of economic gain for the purpose of acquiring illicit gains either with respect to their occupational duties or from a business perspective. Moreover, we will not use a third-party consultant, agency or other intermediary as a means of funneling undue monetary or other gains to a public servant, etc. or a relative or joint business partner thereof.

We will carry out any and all donations and contributions only after fully examining their necessity and validity and receiving approval in advance based on internal rules. Additionally, we will refrain completely from engaging in bribery, payoffs, illegal political contributions or any acts that may suggest the presence of collusion with politics or the government, and will strive to form sound and transparent relationships.

### **(8) Respect for Intellectual Property Rights**

We will respect the intellectual property rights of others. Prior to providing products and/or services, we will endeavor to ensure such rights will not be infringed upon by conducting an investigation intended to prevent the infringement of such rights. Additionally, we will not engage in the illegal use of computer software or other copyrighted material belonging to others, including copying it without permission.

We will effectively utilize inventions and other results achieved through development and other business activities while endeavoring to appropriately protect said results as intellectual property.

### **(9) Timely and Appropriate Disclosure of Information and Mutual Understanding**

We will disclose corporate information in a timely and appropriate manner in line with pertinent laws, regulations and rules.

We will clearly convey our management philosophy and the status of our business activities to all of our stakeholders, accept whatever opinions or criticism they may have of the foregoing with sincerity, and work towards deepening mutual understanding with them.

### **(10) Strict Prohibition of Drinking and Driving**

We will comply with traffic rules and etiquette, and refrain fully from drinking and driving.

## **2. Respect for Life and Dignity**

### **(1) Prohibition of Discrimination**

We will not handle employment administration or employee treatment in a discriminatory manner for reasons based on nationality, gender, age, beliefs, social standing, etc.

## **(2) Prohibition of Harassment**

We will endeavor to maintain a workplace environment that is perpetually sound. We will refrain from engaging in any non-consensual physical or verbal acts of a sexual nature or any physical or verbal acts that may be construed as the harassment of another person.

We will refrain from any physical or verbal acts that impinge on individual character and dignity (including, but not limited to, violence, verbal abuse, verbal outbursts, slander, libel, harassment, insults and intimidation) as well as undue demands, etc. that take advantage of one's occupational or business position.

## **(3) Respect for Individual**

We will think and act of our own accord and bring forth new ideas, as well as to ensure to respect the individuality, ideas and privacy of other employees.

## **(4) Prohibition of Forced and Child Labor**

We will not tolerate the practice of forced or child labor in any country or region.

## **(5) Preservation of Safe and Hygienic Workplace**

We will endeavor to maintain a workplace environment that is both safe and hygienic, and will ensure both understanding of and compliance with laws, regulations, internal rules, etc. regarding safety and hygiene as they pertain to business.

We will take preventive measures towards accidents and disasters as well as promptly respond to any accidents and disasters should they occur, ensuring to place the highest priority on human life.

### **3. Customer Satisfaction**

#### **(1) Joint Creation of Customer Value**

In addition to supplying products and services that offer social utility and providing them with superior skill, quality, cost and delivery, we will also endeavor to provide information that addresses, among other elements, how those products and services can serve the improvement of our customers' corporate value. In doing so, we will engage in the joint creation of customer value.

#### **(2) Improvement of Customer Satisfaction Levels**

In addition to lending our ear to customer input and handling their inquiries, complaints, requests, etc. with speed and precision, we will promptly and accurately ascertain the needs of our customers and the market, and work towards providing products, services and information that addresses those needs.

#### **(3) Guarantee of Product and Service Quality and Safety**

We will remain mindful of the quality and safety of the products and services we offer, and work towards maintaining and improving quality and safety levels as well as preventing any accidents or incidents before they occur.

We will respond to any accidents, incidents or trouble should they occur with swiftness, and shall neither conceal facts from nor make false reports or announcements to parties both within and outside our organization.

### **4. Contribution to Society**

#### **(1) Consideration for the Environment**

We will promote energy conservation, resource conservation and the 3R's (Reducing, Reusing and Recycling).

When procuring materials and services, we will promote the procurement of

materials and services with a low environmental footprint from environmentally-friendly suppliers.

## **(2) Building and Preservation of Favorable Relationships with Community**

In addition to building and preserving favorable relationships with nearby residents and companies and other members of the community, we will endeavor to make proactive contributions to society. Moreover, in conducting international activities, we will respect the culture and customs of the countries and regions in which we are active, and work towards enabling ourselves to contribute to the development of those countries and regions.

## **(3) Severing of Relationships with Anti-Social Forces**

We take a stringent, resolute posture against anti-social forces, and refuse to do any business or have any sort of relationship with them and business partners who have relations with them.

## **(4) Security Export Control**

In the interest of preserving international peace and security, we will engage in security export transactions only after thoroughly and carefully determining whether or not the products and/or technology we are to export will be subject to regulations under pertinent laws and regulations and whether said products and/or technology will be used in the development, manufacture, etc. of weaponry.

# **5. Progressive Spirit**

## **(1) Bold Challenges**

In addition to demonstrating era-leading creativity, we will establish high goals for ourselves, never be afraid of failure, and continue to take on bold challenges in the name of further enhancement of our corporate value.

We will ensure not to lose our courage and passion for continuing to change, and will form a corporate culture that welcomes and respects bold and unique ideas.

**(2) Speedy Action**

We will take speedy action in order to achieve our established goals, and respond to any and all change with swiftness.

**(3) Global Accommodation**

We will adopt a global perspective so that each and every one of us becomes a professional capable of contributing on the world front. In doing so, we will aim to become a truly-global business group.

**(4) Skill Enhancement**

Each and every one of us will constantly keep up our learning and growth processes, and will endeavor to enhance our individual ability and specialized skills of our own accord. Simultaneously, as members of an organization, we will assist in the growth and skill enhancement processes of other employees as well.

**6. Total Cooperation**

**(1) Mutual Cooperation Free of Company or Organizational Barriers**

We will refrain from erecting company or organizational barriers, and will unite our spirit to mutually cooperate with each other and demonstrate synergy amongst ourselves in the name of realizing our goal of developing the Morioku Group on a sustainable basis and contributing to global society at large.

## **(2) Work Engagement Backed by a Sense of Responsibility and Passion**

We will engage in our work endeavors with a strong sense of responsibility, initiative, autonomy, and great enthusiasm (strong passion).

We will refrain from becoming onlookers or resident critics/commentators.

## **(3) Close Communication and Teamwork**

In performing our duties, we will endeavor to communicate closely with the people involved. Through good teamwork, we will achieve results that go beyond the sum of individual capability.

## **[Administration of These Guidelines]**

### **(1) Instruction and Supervision**

Directors, officers and managerial personnel shall instruct and supervise employees in their care so that the latter complies with the matters stipulated in this Conduct Guidelines.

### **(2) Reporting and Consultation**

Should an employee commit an act that constitutes an infringement on this Conduct Guidelines or commit an act that constitutes a violation of this Conduct Guidelines, laws or regulations, or discovers an act that may constitute such a violation, said employee shall immediately report the foregoing to either their immediate supervisor or to the pre-designated contact point.

### **(3) Prohibition of Disadvantageous Treatment**

The confidentiality of employees who have made a report or consultation with respect to the above shall be strictly maintained. Moreover, said employees must not be treated disadvantageously for having made that report or consultation.

Directors, officers and managerial personnel shall take precautions at the

workplace in their care to ensure that such disadvantageous treatment does not take place.

**(4) Cooperation with Factual Inquiries**

Should a request be issued to cooperate with a factual inquiry on whether an act or instance of behavior took place that constituted a violation of this Conduct Guidelines, laws, regulations or rules within or outside our organization, directors, officers and employees shall cooperate with said factual inquiry.

**(5) Punishment**

Directors, officers and employees who have violated this Conduct Guidelines or have ignored such violations shall, in accordance with the nature of the violation in question, be subject to punishment and/or adverse disposition in terms of personnel evaluations or employee pay as per the working regulations, etc. of the company.