

# OUTSOURCING GROUP COMPLIANCE GUIDEBOOK

## Our Promises

OUTSOURCING Inc.

The background of the page features an abstract graphic design. It consists of several overlapping, flowing lines in various shades of blue, ranging from light sky blue to a deep, vibrant blue. Interspersed among these lines are several circles of different sizes and colors, including white, light blue, and dark blue. The overall effect is a sense of movement and modernity, typical of a corporate or technical document cover.

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# In Issuing of This Compliance Guidebook

As employees of the OUTSOURCING Group, we often encounter various compliance issues and wonder how to solve them in our day-to-day work activities. When faced with such problems, we must tackle them head-on without running away.

Solving the problems may not be easy. However, thinking about what is important to the OUTSOURCING Group should give you an idea of what course of action to take.

If you find it difficult to make decisions that may have legal or ethical implications, please use this Compliance Guidebook.

- Be aware that the contents of this guidebook have been written with Japanese laws and customs in mind.
- Please use this guidebook in a way that suits the actual circumstances in your specific country and region.

# What Is Compliance?

In recent years, “compliance” has often appeared in news reports of scandals involving big-name companies, and I think everyone has at least heard this word before. Nonetheless, even if you have heard the word before, some of you may not be familiar with what compliance actually means because you might only have a vague sense of its connotations.

Compliance is often thought of as compliance with laws and regulations. However, the reality is that compliance is not only about complying with the stipulations of the law but it is also about meeting the expectations of society. To meet the expectations of society, you should understand that we must not only comply with laws and regulations but that we must also engage in honest business activities that respect the rules, social decency, and manners and morals. For example, society requires us to follow work procedures, ensure a harassment-free workplace, maintain good relationships with those we do business, and avoid causing inconvenience to anyone outside the company.

When a corporate scandal is discovered due to a compliance violation, the problem does not rest with just the perpetrator, as the company is also held accountable. Consequently, the company involved loses credibility and suffers a great deal of damage.

Therefore, as company employees, it is important that we have a strong awareness of compliance and create a corporate culture that is able to prevent scandals from happening.

You may in fact face various compliance issues yourself in the future. Even if faced with compliance issues, practicing compliance correctly and continuing to be a trusted organization will lead to the growth of the company and the well-being of the people that work here.



# Corporate Principles & OUTSOURCING Group Code of Corporate Ethics and Conduct

## Corporate Principles

Enhancing the quality of life of everyone around the world by eliminating inequalities in working conditions and creating truly motivating workplaces.

We believe that everyone in the world has the right to freely choose a job to shape their future. By improving the education system, we want to create individuals who are needed in the global market, eliminate labor disparities, and enrich the lives of people around the world.

## OUTSOURCING Group Code of Corporate Ethics and Conduct

The OUTSOURCING Group Code of Corporate Ethics and Conduct declares that we, the OUTSOURCING Group, its officers and employees, will act with integrity and in line with high ethical standards. Officers and employees are required to fully understand and comply with this Code.

Provision 1: Ethical Conduct

Provision 9: Protection of Confidential Information

Provision 2: Compliance with Laws and Regulations

Provision 10: Protection of Personal Information

Provision 3: Healthy Business Activities

Provision 11: Internal Reporting

Provision 4: Appreciation of Diversity

Provision 12: Contribution to the Local Community

Provision 5: Respect for Fundamental Human Rights and Equality of Employment Opportunity

Provision 13: Environmental Conservation

Provision 6: Prohibition of Forced Labor and Child Labor

Provision 14: Recording and Reporting of information

Provision 7: Work Environment and Prohibition of Harassment

Provision 15: Protection of Intellectual property and Management of Asset

Provision 8: Safety and Health Management

Please check our website for details of each provision.  
<https://www.outsourcing.co.jp/company/csr/ethics>

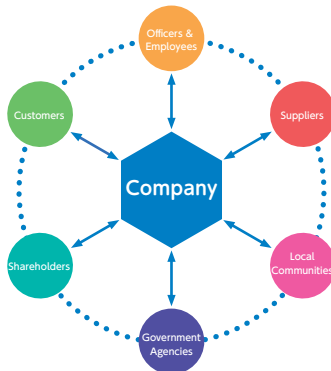
# Responsibility to Stakeholders

Stakeholders are people and organizations that are affected by corporate activities. Stakeholders include customers, employees, suppliers, local communities, government agencies and officials, and shareholders.

In addition to pursuing profits, companies must also meet the expectations of these stakeholders. To meet these expectations, it is important to be aware of the stakeholders affected by corporate activities.

Different stakeholders have different expectations of a company. For example, some stakeholders may expect the company to provide products that are useful for their daily lives, provide financial benefits, create stable employment opportunities, or protect the local environment. Not all stakeholders have the same interests, so in the unlikely event that there is a conflict of interest, we will judge our activities based on our Mission and Corporate Philosophy.

For a company to continue to provide value to each stakeholder and continue its business activities, its staff must practice compliance as a member of society and carry out sound activities with an awareness of the company's stakeholders.



# What Is CSR?

CSR means Corporate Social Responsibility. But what exactly is the responsibility that a company has to society? The first responsibility a company has is to establish a business that will ensure it continues to exist as a company. Consequently, creating jobs and paying taxes are important missions for a company.

However, these are not the only activities and responsibilities that companies are held accountable for by society. CSR initiatives include activities in a wide range of fields such as the environment, contribution to society, and human rights. For example, devising measures to prevent human rights violations and environmental problems, and actively working on support for cultural activities and tackling poverty. CSR could also be said to be the attitude of a company to improve together with society.

It is not possible to facilitate CSR efforts with a fraction of the company hierarchy alone, such as top management and managers. A company is made up of individual employees, including contract and part-time staff. How each of us thinks and acts is extremely important in becoming a company that actively engages in CSR efforts. And the foundation for this is compliance. Compliance is no longer a term that simply means abiding by the law.

It is now the responsibility of companies to think and act in a way that is useful for people, the environment, and society across a broad spectrum.





# What Are SDGs?

SDGs refer to Sustainable Development Goals, which are international goals that all countries and regions aim to achieve by 2030.

“Sustainable development” means achieving the following both now and in the future:

- Securing employment through economic growth and promoting economic growth by improving education and health
- Preventing damage to the environment by improving the economy, education, and health
- Making an improved living environment and economic growth possible through a rich natural environment

To achieve the above, the SDGs outline 17 goals (shown below) and each goal has specific targets.

SDG initiatives have become an important concern not only for national and local governments but also for stakeholders of companies and organizations. A reason for this is that “sustainable development” is required for the survival and growth of a company. Furthermore, companies that engage in SDGs earnestly are regarded highly by stakeholders.

Some of the 17 SDGs are related to compliance. Let’s work with the SDGs in mind to realize a sustainable and better world.



Source: United Nations Information Center (UNIC)

# 1-1 Respect for Basic Human Rights

## Code of Conduct

- We respect the basic human rights of the people we interact with in all different situations.
- We do not discriminate based on race, nationality, beliefs, gender, age, social status, place of birth, disease, or disability, etc. We do not discriminate against sexual minorities.

## Our Promises

### ■ We Will Accept Each Other

We have, in our daily activities, the opportunity to interact with people with different ways of thinking and values to ourselves such as colleagues at work as well as customers, suppliers, and people of local communities.

We will, as the basis of our lives in society, accept each other and treat each other with respect and dignity without dismissing other people.

What's more is that by exchanging ideas and inspiring one another, stagnant activities can be revitalized, ideas that cannot be conceived alone can be created, and we can make a positive impact.

### ■ We Will Eliminate All Discrimination

How would you feel if you were subjected to unfair discrimination or harassment by people around you? It would surely wipe away your smile and any positive feeling to-wards your work.

We will eliminate discrimination and harassment to create the foundations of a work environment where our employees can work with energy and vigor.

**Related page**

“1-3 Prohibition of Harassment”

**Related laws**

Constitution, Labor Standards Act, Equal Employment Opportunity Law, etc.

## Things We Must Not Do

The following acts are examples of discrimination and harassment:

- **Speaking badly of someone without reason just because you do not see eye to eye.**
- **Ignoring or disassociating yourself with someone just because they state opposing opinions in meetings.**
- **Mocking the appearance, age, educational background, etc. of other people.**
- **Making fun of someone being sexual minorities (for example, LGBT).**
- **Teasing other people because of a physical disability.**
- **Not giving educational training or promotion opportunities to and setting different conditions for women only.**
- **Creating, in regards to a job opening, unreasonable recruitment criteria such as the occupation of a parent or family background, instead of the applicant's ability and aptitude.**



# Reference: What Is Diversity?

Diversity is the practice or quality of including or involving people from a range of different social and ethnic backgrounds and of different genders, sexual orientations, etc. A better understanding of diversity in the workplace will increase your willingness to accept the differences between yourself and others. By doing so, it will improve relationships and make the workplace a better working environment. In a workplace where staff members are unable to appreciate the concept of diversity, people who are different from others may feel sad or upset because they suffer prejudice or are excluded. If everyone is conscious of diversity, no one will suffer harassment or be discriminated against, and this will create a comfortable working environment.

An advantage of respecting diversity is that we will be able to employ a wide range of individuals, utilize their individuality, and respond to a wide range of challenges as an organization. Diversity also enables lots of different perspectives and increases the chances of getting new ideas.

## ■ Differences Between People

When trying to understand the differences between people in the workplace, such differences may be simpler to understand by thinking of things in terms of “attributes”. Attributes are properties common to people or things belonging to a certain group. The table below gives some examples. Combinations of various attributes mean that the human population is made up of countless personalities and individuality.

	Physical	Way of Thinking	Affiliation	Work
Attributes	Gender Race Age Disabled or not Sexual orientation	Hobbies Preferences Ideology Religious beliefs Values	Nationality Birthplace School Status Family members	Employment status Working hours Place of employment Income

There are many types of attributes other than those outlined above, as human diversity has no limits.

## ■ To Respect People Who Are Different from You

Accepting people who are different from you may not be as easy as it sounds. If you find it difficult to respect others at work, you should try and put yourself in the other person’s shoes. Anyone would feel sad as a result of being rejected by others just because they are different. It is also important to think that people with different strengths and weaknesses are working while helping each other. It may be easier to accept others if you consider it only natural that people are different and that no two people are the same.

# Reference: What Are Gender, SOGI, and LGBT?

Gender includes not only the physical genders of male and female, but also the gender one identifies oneself to be (gender identity) and sexual orientation. We must have equal human rights and be fully respected no matter what gender we may be. Discriminatory behavior on the grounds of gender or making fun of others as a part of casual conversations must not take place in the workplace either. Also, do not impose roles by gender. It is important to think about things from other people's points of view, understanding that imposing roles by gender can hurt people's pride and cause distress.

## ■ Gender

Gender is a socially constructed concept to highlight the differences between men and women, such as "masculinity" and "femininity". Gender harassment is the process of imposing gender stereotypes and values on people and forcing them to accept predetermined roles based on their gender. The notion of masculinity or femininity differs depending on various factors such as the era, regions, and personal ways of thinking and experiences, so it is not something that others can impose. Restricting work styles based on gender may violate the Equal Employment Opportunity Law.

## ■ SOGI and LGBT

SOGI is an acronym for "Sexual Orientation" and "Gender Identity", which are attributes that everyone possesses. Sexual orientation is which gender you are sexually attracted to. Sexual orientation is not limited to men or women, with some people sexually attracted to both men and women, while others are attracted to neither sex. Gender identity is the gender one identifies oneself to be. Likewise, gender identity is not only male or female, with some people identifying themselves as being neither male nor female. Discriminating against SOGI is called "SOGI harassment".

LGBT is an acronym for "Lesbian", "Gay", "Bisexual", and "Transgender". It is generally said that about 8% of the population in Japan is LGBT. The difference between SOGI and LGBT is that SOGI refers to the attributes that everyone possesses, while LGBT refers to people with a specific sexual orientation or gender identity.

# 1-2 Proper Working Environment

## Code of Conduct

- We get proper wages for honest work.
- We take holidays and vacations in order to work healthily and do not overlook overwork.

## Our Promises

### ■ We Will Get Proper Wages

We receive wages from the company by conducting our predefined duties in good faith. Labor that is not paid a fixed wage or overtime labor that is not paid in addition to one's wage is not allowed.

We do not recognize illegal activities such as unpaid overtime work, and strive to maintain a proper working environment.

### ■ We Will Not Overwork and We Will Not Let Others Do So

You may be required to work overtime or work on holidays, such as in order to meet deadlines or for accounting at the end of the work month. However, overwork due to late-night overtime work over long periods or working on holidays is never permitted.

Overwork can fatigue our minds and bodies, resulting in the onset of depression or even death in the worst-case scenario.

We not only prevent ourselves from overworking, but we also do not force or tolerate others overworking.

**Related page**

"1-3 Prohibition of Harassment"

**Related laws**

Constitution, Labor Standards Act, Industrial Safety and Health Act, Part-Time Employment Act, Labor Contract Act, Worker Dispatching Act, etc.

## Things We Must Not Do

The following acts are examples of actions by those in charge that cause an inappropriate working environment:

- Forcing or tolerating unpaid overtime.
- Forcing or tolerating late-night overtime or work on holidays beyond the legal limit.
- Giving the cold shoulder to junior staff who refuse to work overtime, excessive late-night overtime, or work on holidays
- Not allowing paid leave to junior employees for no good reason.

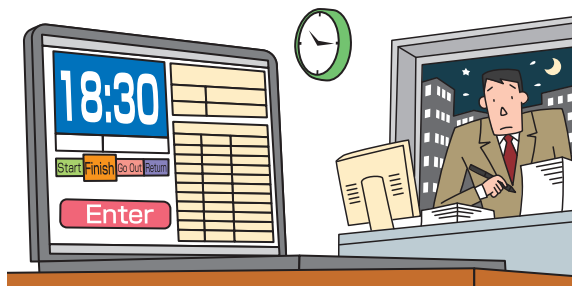
Regardless of the type of employment such as full-time employee, contract employee, or part-time employee, etc., we all have labor rights stipulated by law.

The following acts are also examples of an inappropriate working environment:

- Increasing overtime for yourself and your colleagues through undertaking one's duties in an inefficient manner.
- Not cooperating in reviewing the division of labor in the workplace for the purpose of shortening working hours.

### **The Labor Standards Inspection Office Demands Corrective Actions Due to “Hidden Overtime” and “Unpaid Overtime”**

Company H, a manufacturing company with factories and plants, instructed site managers to keep monthly overtime to less than 100 hours. In the end, the site managers underreported so that the monthly overtime hours would be around 100 hours. Not only did Company H receive a formal demand to take corrective actions, but this fact was published online, resulting in a drop in Company H's corporate value.



# 1-3 Prohibition of Harassment

## Code of Conduct

- We do not harass anyone or act in a way in which the other party feels it to be harassment.
- We strive to maintain a working environment free of harassment.

## Our Promises

### ■ We Will Not Harass Anyone

Harassment generally refers to 'acts that cause disrespect or annoyance'. The victim of harassment suffers various disadvantages and mental distress. Typical examples of harassment include workplace bullying, sexual harassment, and pregnancy discrimination.

We take care not to harass or act in a way that could be perceived as harassment by others and strive to maintain a working environment free of harassment.

### ■ We Will Put Ourselves in the Other Person's Shoes

Even if you do not intend to hurt the feelings of other people, if they feel distress as a result of your actions, the act is harassment. In other words, there is a possibility that you may become the perpetrator of harassment without realizing it.

For example, even the acts of managers and supervisors that go beyond what is appropriate shall be deemed as workplace bullying.

Everyone thinks differently and feels differently. We will try to put ourselves in the other person's shoes without making simple conclusions such as, "I expect this level of behavior shouldn't be a problem."

#### Related page

"1-1 Respect for Basic Human Rights"  
"1-2 Proper Working Environment"

#### Related laws

Constitution, Labor Standards Act, Equal Employment Opportunity Law, Act on Comprehensive Promotion of Labor Policies, Child Care and Family Care Leave Law, etc.



## Things We Must Not Do

Workplace bullying refers to acts that cause disrespect or annoyance that use power relations in the workplace, such as through the hierarchical relationships at the organization or differences in how employees were hired, etc.

- **Taunting or being violent.**
- **Ignoring, not giving any work, following up on mistakes more than is necessary.**

Sexual harassment refers to speech or behavior of a sexual nature or causing disrespect or annoyance through speech or behavior based on gender discrimination.

- **Touching someone's body, staring at someone's body, making sexual jokes, and forcing a sexual relationship.**
- **Forcing someone to drink alcoholic beverages and perform duets at karaoke.**

Maternity discrimination refers to demotion or enforced quitting of one's position at a company and causing disrespect or annoyance during pregnancy, childbirth, or childcare leave.

- **When a member of staff reports the fact that they are pregnant, saying unpleasant things such as "How could you go and get pregnant when we're up to our eyeballs in work."**
- **Demoting an employee or reducing their salary due to taking childcare leave.**



# Reference: Types of Harassment That Are Prone to Occur in the Workplace

## ■ Workplace Bullying (“Power Harassment”)

Workplace bullying means that the working environment of an employed worker is harmed by behavior in the workplace taken by someone in a position of power above them that goes beyond what is necessary or acceptable in one’s line of work. Workplace bullying occurs not only by a supervisor to his/her staff, but in such situations where junior employees are more skillful or constitute majority, it may also be done by junior employees to their supervisor and seniors, as well as to colleagues and employees of other departments. If your supervisor is aware of the fact that a junior employee is being harassed or engaging in harassment, he/she should not tolerate this and take prompt action in order to tackle the situation.

## ■ Sexual Harassment

Sexual harassment refers to causing disadvantages to the working conditions of employees due to sexual behavior (quid pro quo sexual harassment<sup>\*1</sup>) or harming the working environment of employees due to sexual behavior (environmental sexual harassment<sup>\*2</sup>).

\*1 Forcibly attempting to instigate sexual relations as conditions for promotion, recruitment, or contracts, etc. Suffering unfair treatment, such as dismissal, demotion, relocation, or termination of one’s contract, in retaliation for refusing sexual advances or a sexual relationship.

\*2 Hugging, touching the shoulders, waist, chest, buttocks, etc. of another member of staff. Engaging in sexually explicit conversations. Asking another member of staff to talk about their sexual experience. Spreading rumors about another member of staff being sexually promiscuous. Putting up nude posters in the workplace or leaving pornographic magazines lying around.

## ■ Gender Discrimination

Gender discrimination refers to imposing values and stereotypes such as “masculinity” and “femininity”, and determining roles by gender to discriminate one’s work tasks and job title. One’s ideas about social gender differences depend on various factors such as the person in question, their age, and their environment. We must understand that social gender differences are not just arbitrarily decided by other people. Sexual harassment refers to harassment that is ‘sexual’ in nature, while gender discrimination refers to discrimination that relates to one’s ‘gender’.

There is also a difference between the self-identifying sex of people such as LGBT\* and their sex as seen by other people. We must know that if we discriminate by saying things like “because you’re a man” or “but you’re a woman” we will hurt other people with such words.

\*An acronym for lesbian, gay, bisexual, and transgender, LGBT is one of the terms used to describe sexual minorities.

## ■ Psychological Harassment

Believing that only one's own values and morals are correct, psychological harassment means trying to control or exclude others. Psychological harassment is ignoring someone you don't like, talking badly of someone, or intentionally not telling them information necessary for their work and causing emotional distress and disadvantage.

While the backdrop to workplace bullying is superiority such as one's job title or skill level, psychological harassment occurs regardless of the level of superiority. Psychological harassment is an example of psychological abuse, where a group of people ignores and isolates an individual. You should never fuel the situation and harass anyone because others around you are doing so.

## ■ Pregnancy Discrimination

Pregnancy discrimination refers to discrimination at work or unfavorable treatment from a business owner in relation to pregnancy, childbirth, or child-care. Typical pregnancy discrimination is to verbally abuse a member of staff for not coming to work due to morning sickness. Unfavorable treatment on the grounds of pregnancy or childbirth is prohibited by law.

Companies are required to provide a job reassignment at the request of the individual and to take measures to reduce their work hours under the guidance of a physician.

## ■ Causing Somebody Discomfort through Strong Odors

Causing somebody discomfort through strong odors refers to making the surroundings unpleasant by applying too much perfume or cologne or smelling of sweat caused by not bathing or changing one's clothes. Given that it is hard to notice the smell that one emits, there are many cases where the person in question is unintentionally causing discomfort to those around them all the while unaware that they are doing so. To prevent this odor-related discomfort, it is important for each employee to be conscious of their appearance, such as checking one's clothes and how one presents oneself throughout the workplace on a daily basis.

## ■ Forced Alcohol Consumption

This is a harassment problem related to alcohol, typically in connection to forcing others to drink alcohol or committing unwelcome behavior associated with drinking. Becoming uninhibited and engaging in unwelcome behavior is more likely when drinking, but if you feel uncomfortable in a setting where colleagues are drinking, it may affect your personal relationships in the workplace. It should also be noted that coercing someone to drink alcohol should not be done because doing so is very dangerous and could even result in death in the worst-case scenario.

# 1-4 Privacy Protection

## Code of Conduct

- We do not violate the privacy of employees.
- We do not disclose employees' personal information unless we have legitimate business or legal reasons to do so.

## Our Promises

- **We Will Not Investigate or Interfere with Employees' Personal Lives**

Privacy is not just the right not to have other people know about or interfere with one's private life. It also includes the right to look into what information others have about you and the right to seek corrections to this content or for it to be deleted.

When collecting employees' personal information for work reasons, we will give prior notice and due consideration so as not to violate their privacy.

- **We Will Not Leak an Employee's Personal Information**

We do not leak personal information obtained through work to third parties without the permission of the person themselves or without justification in terms of work. The same also applies after the person retires or leaves the company.

**Related page** "3-1 Management of Personal Information"

**Related laws** Constitution, Personal Information Protection Act (law concerning the protection of personal information), etc.

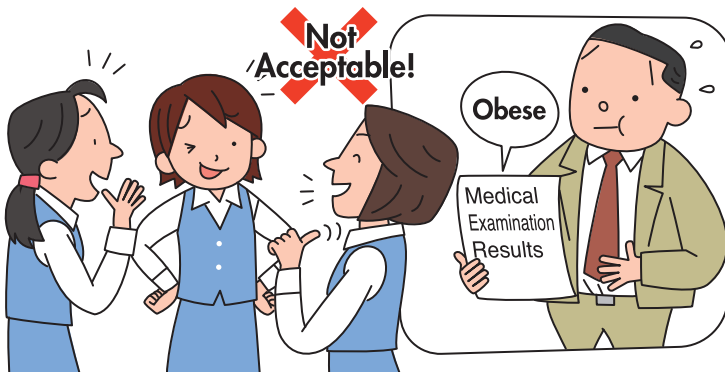
## Things We Must Not Do

The following acts are examples of an invasion of privacy:

- Opening a locker and so on that has been loaned to an employee.
- Checking, without permission, the health status of an employee beyond any work-related necessity.
- Investigating the social status, permanent domicile, birthplace, ideologies, religious beliefs, and faith of employees, as well as matters not required for work.
- Examining emails and so on without permission (Unless the method and content are appropriate under socially accepted conventions, it will also be deemed a breach of privacy even if the said person is informed.)
- Not responding promptly when asked for disclosure, correction, or the deletion of one's personal information.

### Job Offer Retracted Due to Hepatitis B

A financial corporation tested a potential recruit without their permission and retracted the job offer made to them because the individual was infected with the hepatitis B virus. In court, it was judged that testing the individual without their permission was a violation of privacy, and the finance corporation was ordered to compensate for damages of 1.5 million yen.



# 1-5 Workplace Safety and Sanitation

## Code of Conduct

- We all take an interest in the workplace environment and strive to improve it.
- We do not force excessive overwork or unsafe work on others.
- We endeavor to mitigate the risk of disasters in order to protect the lives and property of our employees from disasters.

## Our Promises

### ■ We Will Strive to Create a Safe and Hygienic Work Environment

We must not get injured or sick during work. Each and every one of us will strive to improve workplace safety and maintain a hygienic environment on a daily basis.

If you find or see something in your workplace that concerns you, mention or report the matter to your supervisor or the Compliance Hotline.

### ■ We Will Not Personally or Let Others Overwork and Do Anything That Jeopardizes Safety

We do not undertake ourselves or force unreasonable long working hours, even if it is necessary from a work standpoint. Long working hours impose not only a significant physical burden but also a mental one as well. If you ever feel unwell, consult a physician immediately.

Never carry out work without proper safety measures in place. In the event of an accident, one could lose physical capabilities or it could result in death.

### ■ We Will Be Prepared for Natural Disasters

We must protect the lives and property of our employees from disasters and minimize any damage. We will actively participate in disaster drills so that we can deal with the situation calmly in the event of an emergency. We will regularly check emergency response rules and evacuation routes to prepare ourselves for natural disasters where it is impossible to know when or where they will strike.

**Related laws**

Labor Standards Act, Industrial Safety and Health Act, guidelines concerning measures for creating a comfortable workplace environment that businesses ought to take, etc.

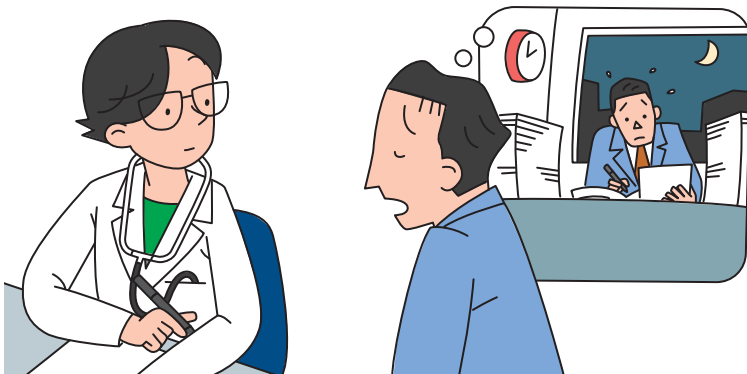
## Things We Must Not Do

The following situations are examples of an unsound working environment:

- **Bringing dangerous goods into the workplace without any necessity in terms of one's work.**
- **Making long working hours the norm.**
- **The temperature, lighting, sound, or air pollution being uncomfortable or inappropriate.**
- **Smoking indoors in places other than the designated smoking rooms.**
- **Providing no measures, places, or facilities to recover from physical and/or mental fatigue.**

### **The onset of depression caused by constant long working hours**

A young individual who joined a major advertising agency began to suffer from depression after working long overtime hours on a regular basis and committed suicide about two years after joining the company. The company was accused of violating its duty of care and was ordered to compensate for damages of about 100 million yen.



# 1-6 Prohibition of Forced Labor and Child Labor

## Code of Conduct

- We do not force employees to work against their will.
- We do not make children under the age of 15 work.

## Our Promises

### ■ We Will Not Force Employees to Work

In order for employees to work properly, it is important to create a workplace and environment that makes employees self-motivated to engage in their work.

We will be careful not to unduly force somebody to work against their will, work unreasonable overtime, or work unpaid overtime.

### ■ We Will Not Allow Child Labor

Young children working in a dangerous and harmful environment impairs their health, safety and morals, and hinders their healthy development. This is a form of child abuse.

We will never permit child labor under any circumstances.

### Penalties

- Those found guilty of forced labor are subject to imprisonment between 1 to 10 years with hard labor or a fine of between 200,000 to 3,000,000 yen.
- Those found guilty of child labor are subject to imprisonment for up to 1 year with hard labor or a fine of up to 500,000 yen.

**Related page** "1-2 Proper Working Environment"

**Related laws** Constitution, Labor Standards Act, Child Welfare Act, etc.



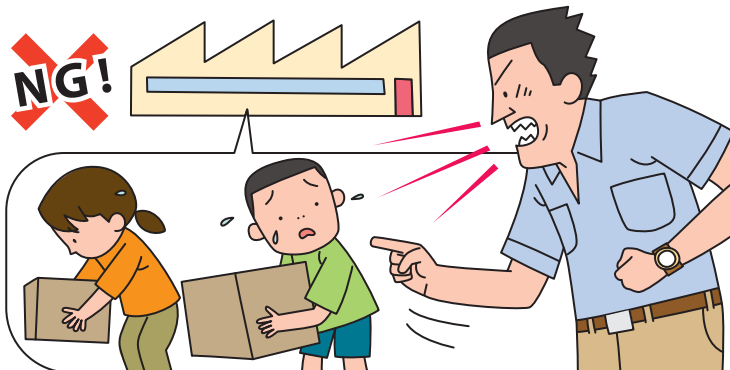
## Things We Must Not Do

The following acts are examples of forced labor, child labor, or related acts:

- Forcing employees to work against their will.
- Forcing unpaid overtime.
- Allowing employees to work more than the time specified in the 36 Agreement.
- Allowing children aged between 13 to under 15 to work (only jobs such as delivering newspapers that are not harmful to children can be undertaken with the approval of the Labor Standards Inspection Office).
- Allowing children under the age of 13 to work (excluding child roles in movies and theater).
- Procuring from companies engaged in forced labor or child labor.

### 36 Agreement

Companies that have employees work in excess of the legal working hours (40 hours a week, 8 hours a day) need to submit a written agreement (36 Agreement) to the Labor Standards Inspection Office. Companies that make employees work beyond the legal working hours without submitting the 36 Agreement will be punished with imprisonment for up to 6 months or a fine of up to 300,000 yen for violating the Labor Standards Act.



# 1-7 Outsourcing Contract Compliance (Prohibition of Disguised (Fraudulent) Contracting)

## Code of Conduct

- We do not engage in any act with the staff of contractors which could be perceived as being disguised contracting.

## Our Promises

- We Will Not Give Instructions Directly to the Staff of Contractors

In a contract for the consignment of business operations (outsourcing contract), the contractor takes on the responsibility to “complete the work”, and the procedure and hours, etc. of the work are decided by the contractor. The party who places the order cannot specifically instruct (command) the procedure and hours, etc. of the work to the staff of the contractor.

The act of directly instructing the staff of a contractor in the same way as instructing the dispatched employees regarding the work despite it being outsourced is called “disguised contracting” and is an illegal act that violates the Worker Dispatching Act, Employment Security Act, Labor Standards Act, etc.

We will understand the contents of outsourcing contracts and not give direct instructions to the staff of contractors. Demands and requests regarding the work are communicated to the person in charge at the company who will undertake the outsourced work. In particular, be aware of how you communicate with any staff members of the contractor who are residents in the workplace.

\*If you want to give direct instructions for executing the work, you need to enter into a dispatched labor contract.

- We Will Not Let the Staff of the Contractor Help with Work That Is Not Included in the Contract

We understand the content of the outsourcing contract and do not ask the staff of the contractor to help with any work that is not specified in the contract.

For example, even if they give a reason such as they have time on their hands, be careful not to let the staff of a contractor who is resident in the workplace help you with work that is not included in the contract.

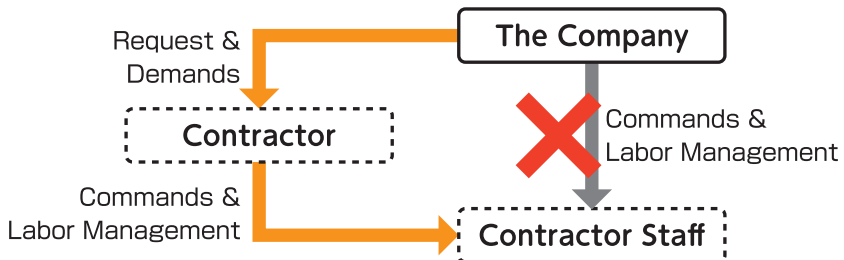
Related laws

Worker Dispatching Act, Employment Security Act, Labor Standards Act

## Things We Must Not Do

The following are examples of types of disguised contracting (cited from the Tokyo Labor Bureau website):

- For work related to system development, etc., giving detailed work instructions to the staff of a contractor who is resident in the workplace or managing when they come to and leave work (representative type disguised contract).
- Giving detailed work instructions to the person in charge at the contractor and having the person in charge communicate the same information to each staff member (person in charge type disguised contract).
- Having the staff of Company C, which was subcontracted by the Contractor Company B, stationed at Company A, which placed the order, and letting Company A and Company B instruct the staff of Company C on the work (employer unknown type disguised contract).
- Not entering into a labor contract with the appointed staff, entering into an outsourcing contract with this staff as a sole proprietor, and making the staff do the work according to your instructions (individual contract type).



## 2-1 Responding to Society's Expectations

### Code of Conduct

- We stay aware of our responsibility to the expectations of society and meet these expectations.
- We understand and comply with laws and regulations as well as social norms, including manners and morals.

### Our Promises

#### ■ We Will Be Aware of Our Responsibility to the Expectations of Society and Meet These Expectations

We have a responsibility to respond to expectations from various stakeholders (such as consumers, employees, shareholders, customers, suppliers, and local communities). With this in mind, we will understand and comply with social norms.

If an act that violates social norms is discovered, the company may lose its social credibility and put its business under threat. To prevent such a situation from happening, each and every one of us shall be aware of the fact that we are a member of society and act responsibly.

#### ■ We Will Understand and Comply with Laws, Regulations, and Social Norms Such as Manners and Morals

We will correctly understand and comply with laws, regulations, and internal rules related to our business activities. If you have any doubts about the interpretation of laws and regulations, etc., check with your supervisor or the relevant departments.

Also, if any behavior or suspicious behavior that violates any law or regulation occurs in the workplace, we will make sure to report or consult with our supervisor or the relevant departments to make corrections and improvements.

Furthermore, as we are required to act with manners and morals as a member of society, we will do so.

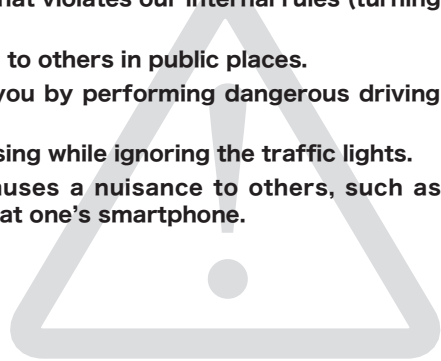
**Related page** "2-2 Prevention of Misconduct"

**Related laws** Constitution, Penal Code, Civil Code, Commercial Code, Companies Act, various government ordinances, various rules, etc.

## Things We Must Not Do

The following acts are examples of behavior that goes against social norms:

- Regardless of being doubtful of the legitimacy of the instructions, following instructions from a supervisor without objecting because it is a work-related order.
- Not reporting to your supervisor or the relevant departments even if you witness an act that violates our internal rules (turning a blind eye).
- Causing nuisance and harm to others in public places.
- Intimidating those around you by performing dangerous driving or acts of road rage.
- Crossing a pedestrian crossing while ignoring the traffic lights.
- Behaving in a way that causes a nuisance to others, such as walking while looking down at one's smartphone.



## 2-2 Prevention of Misconduct

### Code of Conduct

- We strive to carry out business activities in good faith and prevent acts of fraud that are susceptible to occurring within the organization.

### Our Promises

#### ■ We Will Engage in Honest Business Activities

Misconduct such as fraudulent accounting and falsification of quality data will damage a company's social credibility and, in the worst-case scenario, cause the company to go bankrupt. To prevent this from happening, we will always maintain a sound work environment and conduct honest business activities.

#### ■ We Will Prevent Misconduct

Misconduct tends to take place when the three elements of "motivation (the necessity to commit misconduct such as being pressurized to do so)", "opportunity (a situation where misconduct has the potential to occur)", and "rationalization (the mindset that engaging in misconduct is inevitable)" are aligned. This is called the "Fraud Triangle".

We suppress the three elements of "motivation", "opportunity" and "rationalization" to prevent fraud.

We will not create a "motivation" to engage in misconduct	<input type="radio"/> Do not set excessive targets, quotas, or incentives. Do not establish a penalty for not achieving them. <input type="radio"/> If there are people in your department who have troubles at work or in their private life, listen to what they have to say.
Reduce "opportunities" to be able to engage in misconduct	<input type="radio"/> Establish a check process carried out by a third party. <input type="radio"/> Do not fix in place persons in charge of business operations. <input type="radio"/> Do not black-box business operations.
We will not "rationalize" misconduct	<input type="radio"/> Make it known throughout the company that misconduct should not be engaged in for any reason. <input type="radio"/> Understand that excuses such as "I did it for the company's sake", "I did it to improve revenue", or "I did it to make work more efficient" are not acceptable. Understand that you will be punished.

Related page

"2-3 Providing Products & Services that Maintain Quality and Safety"

### Related laws

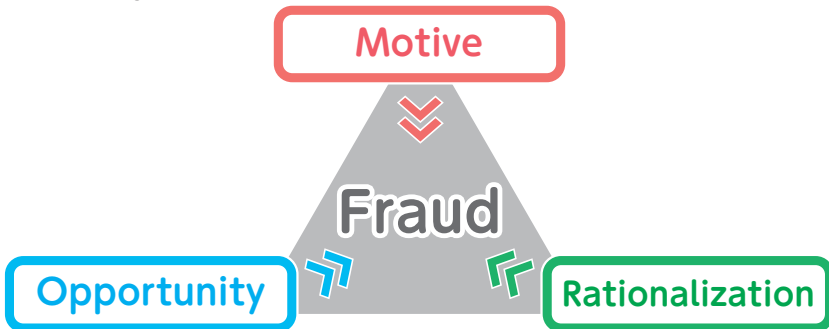
Penal Code, Commercial Code, Companies Act, Unfair Competition Prevention Act, Financial Instruments and Exchange Act, etc.

## Things We Must Not Do

The following acts are examples of misconduct that does not follow the rules and damages the company or others:

- Falsifying application data to obtain certification.
- Falsifying performance inspection numbers at the time of shipment.
- Making financial statements with contents that differ from the actual company balance.
- Shipping products that do not conform to standards due to reasons such as needing to meet deadlines.
- Falsely labeling the product size, weight, performance, etc.
- Conducting inspections without following the prescribed procedures.
- Allowing unqualified persons to carry out inspections.
- Delivering rejected products as a waiver without the permission of the customer.

<Fraud Triangle>



As it is difficult to eliminate all "motivations" and "opportunities", a strong will to "not rationalize misconduct" will act as a barrier against misconduct occurring.

### Code of Conduct

- We provide products and services with the quality and usability that meet the needs of our customers.
- We provide products and services that are safe, reliable, and environmentally friendly.

### Our Promises

#### ■ We Will Provide Products and Services Considered from the Perspective of the Customer

We will provide products and services that please our customers. We will always listen to what our customers have to say, thoroughly consider our products and services from their perspective, and make any necessary improvements and revisions.

#### ■ We Will Provide Services That Are Safe, Reliable, and Environmentally Friendly

Products and services must be something that customers can use with peace of mind. We strive to provide products and services that are safe, reliable, and environmentally friendly, and comply with laws and regulations, public guidelines, and internal rules.

#### Related laws

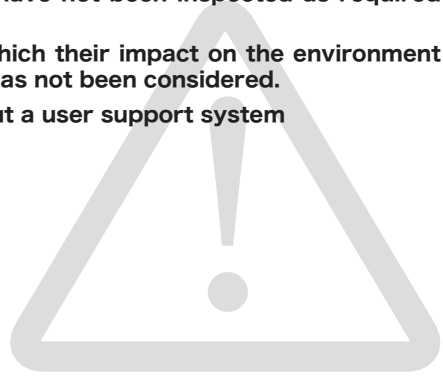
PL Act (Product Liability Act), Electrical Appliance and Material Safety Act, etc.



## Things We Must Not Do

The following are examples of products and services that lack quality or safety:

- Products or services that are highly functional and multi-functional, but do not consider ease of use.
- Products or services that have not had their safety fully checked.
- Products or services that have not been inspected as required by law
- Products or services for which their impact on the environment when used or disposed of has not been considered.
- Products or services without a user support system



## 2-4 Honest Activities in Relation to Our Customers

### Code of Conduct

- We publish genuine and correct information about the products and services we provide.
- We respond honestly to inquiries from our customers.

### Our Promises

#### ■ We Will Publish Correct Information Regarding Our Products and Services

Our customers purchase our products and services because they trust us. We will do our best to act in good faith without betraying this trust.

The disclosure of correct information is one of the essential actions we must take. Concealing or misrepresenting information is an unacceptable act that damages or puts our customers at risk.

Putting the safety of our customers first, we will thoroughly disclose correct information with appropriate expressions and indications.

#### ■ We Will Respond to Inquiries in Good Faith

We are accountable for the products and services we provide. When a customer makes a complaint, we will respond sincerely without being deceptive or making an excuse.

If there is something wrong, we will openly acknowledge it and respond in good faith, which will lead to developing a trusting relationship with our customers.

#### Related laws

Unfair Competition Prevention Act, Act against Unjustifiable Premiums and Misleading Representations, Consumer Contract Act, Food Labeling Act (false labeling)

## Things We Must Not Do

The following acts are examples of publishing incorrect information and acting in a dishonest manner:

- Concealing defects in products or services spotted after they have been sold.
- Forging the results of quality inspections.
- Falsely indicating food best-before or expiration dates.
- Concealing important contract matters or indicating information in a way that is intentionally difficult to understand.
- Ignoring or lying in response to inquiries about products and services.

### **False Indication of Food Production Area by a Manufacturing and Wholesale Company of Agricultural Products**

Bamboo shoots from China were labeled and sold as being from Japan. Malicious tricks were used, such as using fake producer photos on product packaging. The company was forced into bankruptcy and the president was arrested.



## 2-5 Undertaking Fair Competition and Trade

### Code of Conduct

- We do not trade in violation of laws or relevant regulations.
- We do not engage in transactions that abuse our superior bargaining position.

### Our Promises

#### ■ We Will Engage in Competition and Trade in Compliance With the Law

Companies operate to earn profits while complying with laws and regulations and industry rules. Gaining a profit by illicit means will not be tolerated or allowed.

We will always engage in fair competition and transactions. In all corporate activities, we will never carry out any act that violates the law.

#### ■ We Will Value Our Partner Companies

We value partner companies who cooperate with us in our corporate activities. Partner companies are part of the driving force behind our corporate activities. We will always conduct business with them in an equal relationship and not force them to follow unacceptable business practices or requirements by taking advantage of our stronger bargaining position.

#### Related laws

Anti-Monopoly Law (Act on Prohibition of Private Monopolization and Maintenance of Fair Trade), Subcontracting Act (Act against Delay in Payment of Subcontract Proceeds to Subcontractors)

## Things We Must Not Do

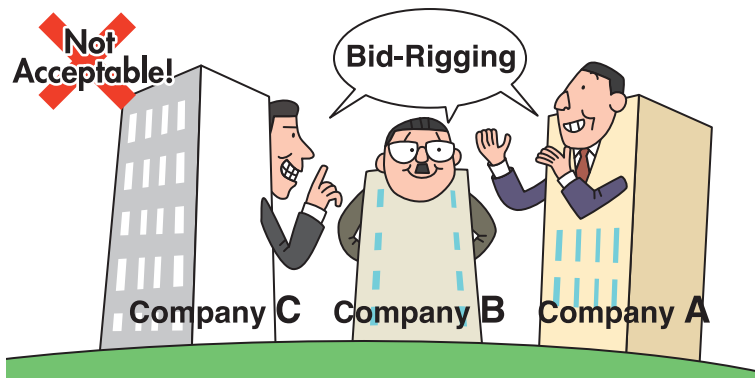
The following acts are examples of acts prohibited by the Anti-Monopoly Law:

- Deciding on price and sales volume and so on through consultation with companies that make up an industry body.
- Making a request to manufacturers so they do not supply raw materials to companies that are newcomers to the market.
- Instructing retailers to obey sales prices.
- Selling at significantly lower prices only to a competitor's customers to try and prize them away.
- Selling popular products with unpopular products as a set (package sales).
- Forcing sales on suppliers and burdening them with expenses that they are not obliged to pay.

### Those Involved in Price Cartel Imprisoned

Three steel sheet manufacturers jointly decided to raise the price of aluminum-zinc alloy plated steel sheets and strips from a shipment at a certain time, and implemented this scheme.

The three companies and those involved in the price cartel were charged with violating the Anti-Monopoly Law (price cartel). While the three companies were fined, eight officials, including the officers in charge of sales, were sentenced to imprisonment with hard labor.



## 2-6 Appropriate Sales Promotion & Advertising

### Code of Conduct

- We implement appropriate sales promotion and advertising activities and make efforts so that our customers can correctly understand and assess our products.
- We ensure an environment in which customers can choose better products and services.

### Our Promises

#### ■ We Will Carry Out Appropriate Sales Promotion and Advertising Activities

We will disclose accurate information (information on quality, contents, manufacturing methods, usage, quantity, etc.) so that our customers can select products and services based on making a correct assessment of them, and we will not use exaggerated expressions or indications. The disclosing of correct information is a role we are obligated to fulfill, and we will not falsify or hide information.

Advertisements and promotions will be carried out appropriately in accordance with the Act against Unjustifiable Premiums and Misleading Representations. We also comply with the promotion codes of conduct\* of different industries.

\*A code of conduct regarding promotional activities established within the industry.

#### ■ We Will Respond to Inquiries in Good Faith

We are accountable for the products and services we provide. We will, in order to be a company that is trusted, promptly communicate accurate information when we receive inquiries from customers, and will strive to respond in good faith.

#### Related laws

Act against Unjustifiable Premiums and Misleading Representations, Fair Competition Code, Unfair Competition Prevention Act, Anti-Monopoly Law, Pharmaceutical and Medical Device Act, Health Promotion Act, etc.

## Things We Must Not Do

The following acts are examples of inappropriate sales promotion and advertising activities:

- **Indicating effects and performance with no logical grounds to support such claims.**
- **Providing deceptive advertising to make a product appear better than it really is.**
- **Making unsubstantiated claims that our product is significantly superior to other companies' products without using a fair means of comparing them.**
- **Concealing important contract matters or indicating information in a way that is intentionally difficult to understand.**
- **Lying in response to inquiries about products and services.**
- **Communicating false content or content intended to mislead consumers through sales talk either in person or on the phone, etc.**
- **Selling products by including inappropriately large freebies.**



## Code of Conduct

- We carry out financial affairs and accounting in accordance with tax laws and established accounting standards.
- We do not conduct foul accounting and accounting fraud (fictional sales, overstated expenses, or the falsification of receipts, etc.).

## Our Promises

### ■ We Will Carry Out Correct Financial Affairs and Accounting

Financial affairs and accounting must all be done accurately and without omission in full compliance with all relevant laws and regulations.

We will manage the company's funds and assets properly and not use them in a way that deviates from the purpose of our work. For settlements such as expenses, we will prepare settlement documents, attach invoices and receipts, and clarify the amount of the expense as well as the purpose of the transaction.

### ■ We Will Eliminate All Foul Accounting

We must not make inaccurate or false records, misleading records, or alter records. Companies and personnel can be fined, penalized, and imprisoned for the inaccuracy of their business and financial reports.

As the foundation for the company to fulfill its legal and social responsibilities, we do not tolerate fraudulent accounting and actions that cause damage to the company.

**Related page** "2-8 Timely and Appropriate Recording and Disclosure of Information"

**Related laws** Penal Code, Commercial Code, Companies Act, Financial Instruments and Exchange Act, etc.



## Things We Must Not Do

The following acts are examples of foul accounting and accounting fraud:

- At the request of a business partner, rewriting a bill so that the content is different from fact.
- Recording fictitious sales to hide insolvency.
- Falsifying records of the company's business and financial performance.
- Making false or misleading entries in ledgers.
- Holding funds and assets not included in ledgers.

### Incident of Fraudulent Accounting by a Major Cosmetics Manufacturer

Large-scale fraudulent accounting was carried out to cover the company's excess liabilities (insolvency), and the former president involved in doing so was found guilty. The audit firm was suspended from engaging in business, and the CPA that was a member of the firm was accused of violating the Securities and Exchange Act (misrepresentation in the securities report). This incident also triggered the revision of the accounting audit system.



## 2-8 Timely and Appropriate Recording and Disclosure of Information

### Code of Conduct

- We accurately record business-related information.
- We disclose activities such as our business and social contribution activities in a timely and appropriate manner.

### Our Promises

#### ■ We Will Record Accurate Information

The accurate recording of business-related information such as quality inspection results and manufacturing records is important in fulfilling our legal responsibilities as a company. Listed companies in particular are obligated to disclose some information about their corporate activities.

We strictly ensure accurate recording so that stakeholders (customers, employees, suppliers, communities, etc.) can obtain complete, fair, accurate, sufficient, and easy-to-understand information in a timely manner.

#### ■ We Will Disclose Information at the Appropriate Time and in the Appropriate Manner

As a member of society, it is important for a company to actively disclose its activities, such as business and social contribution activities, in order to build good relationships with stakeholders and gain their trust.

Given that the purpose of disclosing information (disclosure) is to have people learn about the activities of a company and support the company, it is not enough just to provide information unilaterally. We will endeavor to actively communicate with stakeholders by devising effective and efficient methods.

**Related page** “2-7 Compliance with Tax Laws and Accounting Standards”

**Related laws** Financial Instruments and Exchange Act, stock exchange regulations, Commercial Code, etc.

## Things to Keep in Mind

The following actions are examples of timely and appropriate recording and disclosing of information:

- **Accurately drawing up business-related records based on the facts and making sure there are no omissions.**
- **Making sure that the information to be disclosed is accurate and easy to understand so that there is no risk of misunderstandings or misconceptions.**
- **Disclosing also negative information that is disadvantageous to the company, such as the occurrence of defective products, without hiding it.**
- **Undertaking thorough management to prevent loss, leakage, theft, unauthorized use, etc. of information, and ensuring that unnecessary information is discarded.**
- **Engaging in two-way communication with stakeholders, and in addition to disclosing information, reflecting assessments and requests of the company in our business.**



## 2-9 Prohibition of Insider Trading

### Code of Conduct

- We do not leak undisclosed information that we have learned through our work to our close friends and family.
- We do not buy or sell the stocks of related companies based on undisclosed information that we have learned through our work.

### Our Promises

#### ■ We Will Not Leak Undisclosed Information

We may come to learn of information about business partners prior to it being made public. If this information is leaked, it gives only the people who know the information the opportunity to buy and sell stocks for profit, and thus harms the fairness of the market.

We should be careful not to accidentally leak confidential information to even our close friends and family.

#### ■ We Will Not Buy or Sell Stocks Based on Undisclosed Information

“Insider trading” refers to buying and selling stocks by using non-disclosed important information such as information about mergers and new products that will affect the stock price if it is made public. Those found guilty of insider trading will be severely punished according to the law.

We will never buy or sell stocks in this manner.

#### Penalties

- Imprisonment of up to 5 years with hard labor or a fine of up to 5 million yen, or both.
- A company found guilty of insider trading will be fined up to 500 million yen.
- All property gained from insider trading will be confiscated and collected.
- An order to pay a fine may be issued even if it is not a criminal penalty.

**Related page** “3-3 Management of Company Information”

**Related laws** Financial Instruments and Exchange Act

## Things We Must Not Do

The following acts are examples that may be considered insider trading:

- **Buying the stock of an acquaintance's company based on inside information obtained from the acquaintance.**
- **Selling shares of the company based on inside information that the company's performance is expected to worsen.**

### Insider Trading by Staff at a Broadcasting Station

The staff of a broadcasting station learned on their computer at work that a major company that runs a restaurant chain would purchase another restaurant chain to form a group company, and used this information to purchase stocks by foul means. The staff involved were dismissed from their job as disciplinary action.



## Code of Conduct

- We do not entertain or give gifts to public servants (including former public servants) of government agencies.
- We pay sufficient attention when giving or receiving entertainment or gifts.

## Our Promises

### ■ We Will Not Give Bribes to Public Officials

Entertainment and gifts to public officials are, in principle, prohibited by law and our Code of Ethics. Also, even in the case of a non-public official, those who engage in work that is of a highly public nature defined by laws and regulations are called “deemed public officials”, and so entertainment and gifts are prohibited/restricted for such people as well.

We do not give gifts or entertain public servants in order to facilitate favorable treatment in the course of our work.

We will also not do things that are likely to be misunderstood as having the intention of receiving favorable treatment in return, such as giving gifts or treating public servants to dinner, etc.

### ■ We Will Not Receive or Give Improper Entertainment or Gifts

We will offer entertainment and/or gifts to business partners within the scope of sound business practices or general common sense.

When we receive entertainment and/or gifts from business partners, etc., we will stay within the scope of sound business practices or general common sense. We also do not receive gifts and/or entertainment from suppliers of materials and services.

#### Related page

“4-4 Sever Connections with Anti-Social Forces”

#### Related laws

Penal Code (bribery), Companies Act, National Public Service Ethics Act, National Public Service Officials Ethics Code, the ordinances of local governments, etc.

## Things We Must Not Do

The following acts are examples of bribing a public official:

- Entertaining a procurement manager of a government agency to request that your bid be successful at the time of bidding.
- Giving a gift to a police officer that you are acquainted with and asking them to suppress (cover-up) any traffic violations.
- Handing over payment of any kind to a parking inspector who is in the process of confirming a neglected vehicle to ask them to overlook the parking violation (as a parking inspector is a “deemed public official”).

The following acts are examples of inappropriate entertainment and giving of gifts:

- Giving an individual who is in charge at a business client a gift that exceeds the amount specified in internal rules.
- Entertaining an individual from a business client at a location that could be offensive to public standards of decency.

### Requesting a Mayor to Inform About the Estimated Order Price

The executive of a construction company urged the mayor to tell them the estimated order price of a local health spa, handing the mayor a reward of 14 million yen. The executive was found guilty in court.



## Code of Conduct

- **We do not give money to foreign public officials in order to obtain business-related benefits. We also do not promise or offer to provide money to foreign public servants.**

## Our Promises

### ■ **We Will Not Give Bribes to Foreign Public Officials, Etc.**

We do not give gifts or entertain foreign public officials, etc.\* in order to facilitate favorable treatment in the course of one's work. We do not promise or offer to provide gifts or entertainment as a reward for giving favorable treatment.

\*Those who work for foreign national or local governments, government agencies, public enterprises, public international organizations, etc., and those who have been delegated authority by foreign governments.

### ■ **We Will Not Respond to Unreasonable Demands from Foreign Public Officials, Etc.**

When we receive any request for money, etc. from a foreign public official, etc., we will resolutely decline and not seek a simple resolution.

If demands continue despite refusing, consult with the legal affairs officer of the local subsidiary and/or the local Japanese embassy, consulate, chamber of commerce, etc.

### ■ **We Will Not Allow Overseas Subsidiaries or Agents to Make Bribes**

When doing business overseas, if a local subsidiary or agent provides money or goods to a foreign public official, etc., we may be punished and lose our social credibility as a company.

We will properly instruct and supervise local subsidiaries and agents, etc. so that they do not bribe.

**Related page** "2-10 Prohibition of Bribery and Inappropriate Entertainment"

**Related laws** Unfair Competition Prevention Act (bribery of foreign public officials), U.S. Foreign Corrupt Practices Act (FCPA), U.K. Anti-Bribery Act (UKBA), etc.



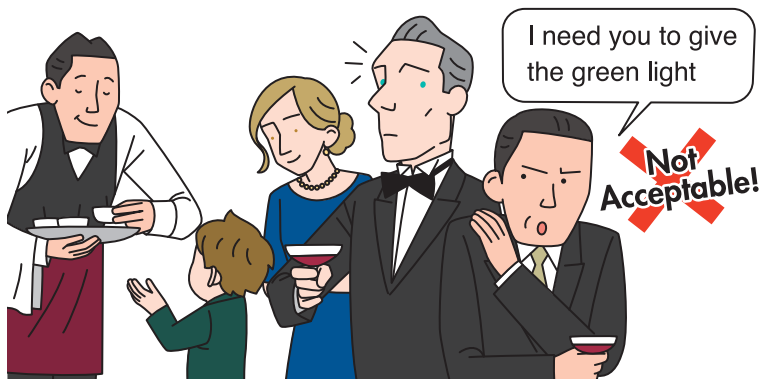
## Things We Must Not Do

The following acts are examples of bribing a foreign public official, etc.:

- In order to win a bid for a public project overseas, providing money or expensive items to the staff of the ministry in charge to sound out the minimum bid.
- Providing money or expensive items to the staff of foreign inspection agencies and requesting the falsification of inspection results.
- Appointing a company run by a relative of a politician as a consultant in order to receive an order for a foreign state-owned enterprise.
- In foreign customs clearance and so on, as a result of the improper handling of products such as delayed import procedures despite submitting the necessary applications, providing money to a person in charge and asking them to undertake the procedures immediately.

### Providing Money on Demand for Bribes to Prevent Delays in Construction Projects

Due to insufficient application to use the facilities of a port in a foreign country, the landing of construction materials was stopped. The construction project manager paid about 39 million yen in response to a bribe demand from the chief of the port bureau to prevent delays to the project. At a later date, those in charge were disciplined, charged, and convicted for their wrongdoings.



## 2-12 Compliance with Trade-Related Laws

### Code of Conduct

- We comply with the import and export laws and regulations of Japan and the countries and regions in which we operate as well as international treaties, etc. to carry out the appropriate import and export procedures.

### Our Promises

#### ■ We Will Comply with Import and Export Laws and Regulations

We will comply with the import and export laws and regulations of Japan and the countries in which we operate. Import and export laws and regulations are complicated, but make sure to fully understand the laws and regulations of the business field in which you work.

Violation of these laws and regulations may result in individuals or the company being subject to criminal penalties such as fines or imprisonment. Offending individuals or the company may also be subject to administrative sanctions such as being prohibited from importing and/or exporting.

Pay attention not only to the transactions between Japan and overseas bases but also to the transactions between overseas bases. In addition to complying with Japanese laws and regulations, we must not be involved in improper transactions in accordance with the export/import control laws of each country/region including the United States, UN Security Council resolutions, international agreements, etc.

\*Some countries and regions, such as Hong Kong, also require the acquisition of licenses for the import of regulated cargo. (The importer, etc. applies for such licenses.)

#### ■ We Will Also Pay Attention to the Importing and Exporting of Non-Product Cargo

We will comply with laws and regulations in exporting and importing not only the final products, but also prototypes, technologies, know-how, chemical substances, software, designs, etc.

[Related page](#) “2-13 Import & Export Declarations During Overseas Business Trips”

### Related laws

Foreign exchange and foreign trade laws, customs laws, EAR, and various laws and regulations concerning import and export of each country.

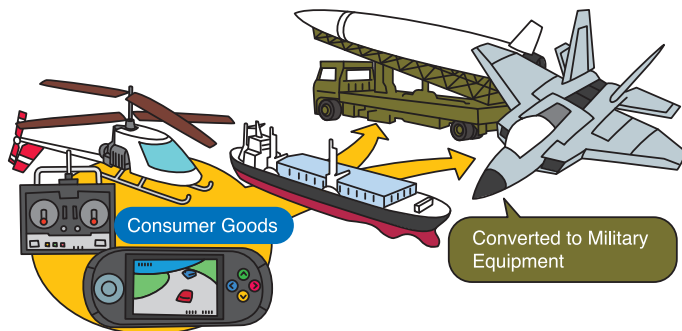
## Things We Must Not Do

The following actions are examples of violations of trade-related laws and regulations:

- **Not correctly declaring the product name, price, place of origin, quantity, etc. when importing/exporting.**
- **Importing/exporting, without authorization or approval, cargo such as drugs, guns, explosives, gun powder, etc., for which importing/exporting is prohibited except for authorized persons.**
- **Exporting without checking the intended use of the product or technology or the end customer while at the same time knowing that it could be converted into arms or weapons.**
- **Importing/exporting cargo without carrying out the necessary procedures (you may be punished even if it is not intentionally so).**

### Suspected Illegal Export of Drones That Could Be Converted for Military Use

A manufacturer of transportation equipment was accused of illegally exporting a radio-controlled helicopter that could be used for military applications, and was subject to summary indictment for violating foreign exchange and foreign trade laws. If exported, it is believed that it would have been delivered to armed forces via a company affiliated with the military in the respective country.



## Code of Conduct

- We properly submit the import/export declaration of luggage when traveling on business trips overseas.
- We do not take regulated items as luggage into or out of the country when traveling on business trips overseas.

## Our Promises

### ■ We Will Properly Declare Carry-on Luggage

When going through customs clearance for overseas business trips, we will properly submit import/export declarations in accordance with the Customs Act, etc., and pay any import consumption tax and customs duties within the set payment deadline. In the unlikely event that we make an error in an import/export declaration, we will promptly seek to remedy the issue by correcting the error.

In addition, we will prepare the necessary documents (documentation that proves the price of the product) for import/export declaration in advance.

### ■ We Will Not Handle Items That Are Prohibited From Being Imported or Exported

We do not take regulated items into or out of the country. (Except when doing so is permitted or approved by the competent authority.)

Examples of regulated items:

Drugs, firearms, swords, counterfeit coins and bills, forged cards, articles that infringe on intellectual property rights, and books and drawings that would disturb public decency or morals.

**Related page** "2-12 Compliance with Trade-Related Laws"

**Related laws** Foreign exchange and foreign trade laws, customs laws, various import and export laws and regulations of each country, etc.

## Things We Must Not Do

The following acts are examples of violations of import/export laws and regulations:

- **Not correctly declaring the product name, price, place of origin, quantity, etc. when importing/exporting.**
- **Taking items with you as carry-on luggage so as not to declare it for import/export (doing so may be considered as evasion of import and consumption taxes if brought into Japan).**
- **Putting sample products that are under development into a travel bag when traveling overseas for business trips without checking whether they will be subject to the regulations of trade-related laws.**
- **Trying to pass through customs by hiding meat products, fruits, plants, etc. that are banned from import/export or need to be quarantined.**

### Trouble Caused by Carry-on Luggage

For urgent delivery to a customer, a staff member went to a Taiwanese supplier and picked up the goods and took them as carry-on luggage back to Japan, but they were stopped at the airport customs office. As there were no documents such as an invoice and so on, the goods violated the law and were thus kept temporarily at customs. As a result, the goods could not be delivered in time.



## 2-14 Compliance with Local Laws Overseas and Respect for Overseas Cultures and Customs

### Code of Conduct

- We comply with the laws and regulations of Japan and the countries and regions in which we operate.
- We understand and respect the cultures and customs of the countries and regions in which we operate.

### Our Promises

#### ■ We Will Comply with Overseas Laws and Regulations

Depending on the country or region, the contents of laws and regulations may differ from those in Japan, and local subsidiaries may have their own internal rules and policies.

We shall, while complying with the laws and regulations of each country and region, adhere to the internal rules and policies established by each company.

#### ■ We Will Understand and Respect Cultures and Customs

When doing business overseas, we will, of course, adhere to the laws and regulations of the country or region, but this alone is not enough. In some cases, it may not be possible to make appropriate decisions and act based on Japanese business customs and common sense.

We will understand and respect the culture, customs, and values unique to each country and region. We will treat people with respect and act in good faith. Doing so will facilitate the developing of our business, and in turn will also contribute to each other's economic, social, and environmental progress.

However, even if you follow local laws and regulations, be careful not to violate Japanese laws and regulations.

#### Related laws

The laws and regulations of each country and region.

## Things to Keep in Mind

It is hoped that you will understand the local culture and customs by taking the following actions:

- Reading about, listening to, and experiencing the local history and culture.
- Actively interacting with the local people so as to become familiar with their values and customs.
- Always upholding your pride as an **OUTSOURCING** Group employee when you act.
- Understanding that 'culture and customs' are different between Japan and the local area, and act appropriately (be careful as even actions (gestures, etc.) that are fine in Japan may be considered locally as lacking common sense).

### Compliance with Local Laws & Regulations



## 2-15 Prohibition of Dishonest Acts

### Code of Conduct

- We conduct our business in good faith, and do not act in any way that will hurt the name or reputation of the company or violates the interests of the company.
- We make a clear distinction between public and private and do not conduct personal activities unrelated to work in the workplace.

### Our Promises

#### ■ We Will Not Carry Out Acts That Place the Company at a Disadvantage

We must not damage the company's reputation or credibility or do anything that will cause disadvantage to the company. Among these, acts that cause damage (disadvantage) to the company such as by reducing the profits that the company would have made so to gain personal benefits or to benefit a third party are called acts of conflict of interest.

Specifically, colluding with a particular supplier and neglecting a state in which high costs are incurred or letting competitors leak confidential information are deemed acts of conflict of interest.

Acts of conflict of interest are acts that cause trouble for not only companies but also many people, such as work colleagues and their families. We will never carry out a conflict of interest.

#### ■ We Will Not Claim Improper Expenses

There are various expenses such as transportation expenses, business trip expenses, and the cost of equipment as a result of undertaking work. We will properly charge the company for these expenses.

#### ■ We Will Not Carry Out Personal Activities Unrelated to Work During Work Hours

If you engage in activities unrelated to work, such as those relating to politics, religion, community associations, volunteer work, etc. during work hours, not only will profits that the company ought to make be reduced, but it will also ruin the atmosphere of the workplace and make it difficult to work there.

We will work by drawing a line between public and private matters.



## Things We Must Not Do

The following acts are examples of conflict of interest:

- Performing acts that unduly use up or damage the company's tangible and intangible assets, or using the company's property and expenses for personal purposes.
- Undertaking, without the permission of the company, a side job such as simultaneous employment with another company, taking a role as an executive of another company, or running one's own business.
- Receiving benefits such as money, gifts, entertainment, etc. from a supplier and so on that goes beyond the bounds of what is socially acceptable, and extends to actions that may cause collusion with the supplier.
- Acquiring expenses from the company through foul means (padded invoicing of traffic expenses and purchased equipment, the falsifying of private food and drink expenses as entertainment expenses, and fake business trips).
- Embezzling cash vouchers (taxi tickets, beer tickets), postage stamps, and revenue stamps, etc.
- Putting our products and waste products (old PCs, etc.) on the black market.
- Using refueling cards and ETC cards provided for company vehicles with one's own car.



## 2-16 Cautions on Using Social Media

### Code of Conduct

- We do not access social media for private use from company-rented or personal mobile devices, etc. during work.
- We do not post anything that is viewed as a problem morally such as the company's confidential information or information about our business partners, etc. on social media.

### Our Promises

#### ■ We Will Not Post Anything Inappropriate Online

There have been many reports of problems related to information published on Internet blogging services, various social media platforms (X(formerlyTwitter), Instagram, Facebook, etc.), and anonymous forums. The inappropriate disclosure of information may expose your own personal information on the Internet.

We shall, when using these services, take responsibility for the information we publish, and be careful not to do anything that could lead to a loss of company trust or impact the business negatively. Also, to protect yourself, do not disclose inappropriate information under any circumstances.

#### ■ We Will Be Aware That What We Post Will Be Shown to the World

Unlike email and phone calls, information disclosed and posted on social media can be seen by anyone in the world. You are not as safe as you may think even if your posts are made public to friends only or you use an anonymous account. Inappropriate information disclosure and posting spreads across the world instantly, and once made public, it may continue to remain online even if the original post is deleted.

We will understand these facts and will disclose and post appropriate information.

#### Related laws

Personal Information Protection Act (law concerning the protection of personal information), Financial Instruments and Exchange Act, Copyright Act, etc.

## Things We Must Not Do

The following acts are examples of actions that are problematic in terms of disclosing or posting information online:

- Disclosing and posting the **OUTSOURCING Group's confidential information and information obtained through work.**
- Disclosing and posting information that could disrupt another company's business.
- Disclosing and posting personal information of yourself and customers, such as addresses and phone numbers.
- Disclosing and posting slanderous or discriminatory information.
- Disclosing and posting information that violates the law, violates manners, and is viewed as a problem morally.
- Publishing images of or writing about messing around in the workplace.
- Disclosing information, images, videos, etc. that infringe on the copyright of others.
- Disclosing photos of people from whom permission has not been granted.
- Disclosing and posting false information that could generate malicious rumors.



## 3-1 Management of Personal Information

### Code of Conduct

- We properly manage and handle personal information in accordance with internal rules.
- We do not use personal information for anything other than the purpose or condition for which it was obtained.
- We do not take personal information outside the company without permission or leak it.

### Our Promises

#### ■ We Will Handle Personal Information Properly

Personal information is information that can specify or identify an individual. Name, address, phone number, and email address correspond as personal information.

Recognizing the importance of and properly handling personal information is an essential part of maintaining a trusting relationship with employees, customers, and suppliers. We adhere to the policies and rules regarding the handling of personal information as defined in our Personal Information Protection Rules.

#### ■ We Will Not Misuse or Leak Personal Information

Companies that have leaked personal information have lost credibility over it, and it takes a great deal of time and effort to recover from such an incident. In addition, a person whose personal information is leaked will not only receive unwanted sales activities and solicitations, but also suffer the risk of being harmed by fraud.

We only use personal information for the purposes for which it was acquired and within the scope of the agreement with the provider. Also, the disclosure of personal information is limited to the scope of personnel defined in our Personal Information Protection Rules.

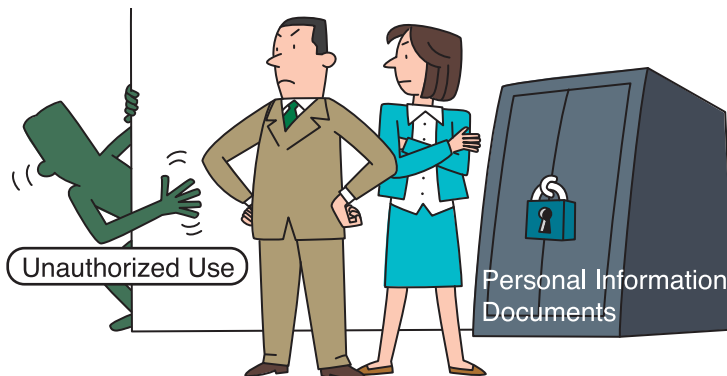
**Related page** “3-2 Protection and Use of Intellectual Property Rights” “3-3 Management of Personal Information”

**Related laws** Personal Information Protection Act (law concerning the protection of personal information), etc.

## Things We Must Not Do

The following acts are examples of leaking or misusing personal information:

- Taking a customer or employee ledger outside the company without permission, or talking to people outside the company about it.
- Printing the personal information of customers and employees without permission and copying it to recording media.
- Posting a customer's or employee's personal information on a website or forum without their consent.
- Discarding materials that contain printed or displayed personal information without shredding it.
- Using or disclosing personal information for a purpose different from the original purpose.



## 3-2 Protection and Use of Intellectual Property Rights

### Code of Conduct

- We understand the value of intellectual property and make use of it properly.
- When intellectual property is created, we promptly notify the company.
- We respect the intellectual property of other companies.

### Our Promises

#### ■ We Will Understand the Value of Intellectual Property and Protect It Properly

Intellectual property is something that has no physical form but is an asset, such as copyrighted works, trademarks, and know-how. We own a lot of intellectual property, and by making use of it, we offer many products and services to our customers.

The intellectual property created by our efforts will be properly protected as an important company asset.

#### ■ We Will Respect Other Companies' Intellectual Property

As intellectual property has no physical form, it is easy to use without permission. However, using the intellectual property of another company without permission is the same as stealing the possessions of another person. For example, the scope of usage of software used in daily operations is determined by the license agreement, and installing it on a computer beyond the scope of usage violates the intellectual property rights of other companies.

We will respect and carefully handle other companies' intellectual property as well as protect our own intellectual property.

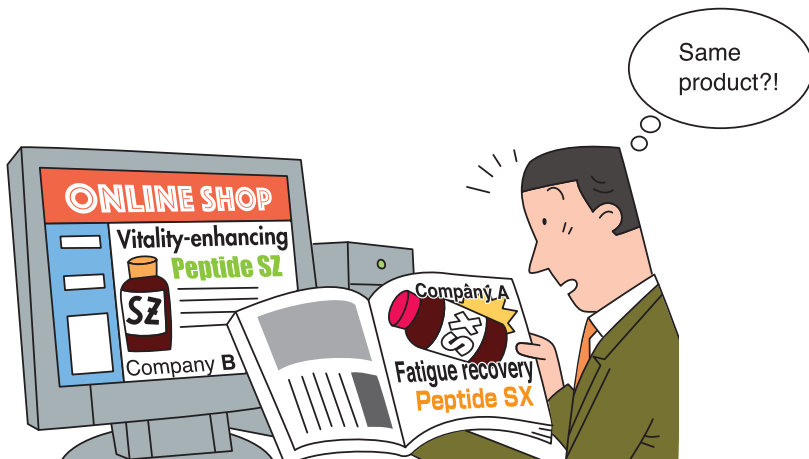
**Related page** “3-1 Management of Personal Information” “3-3 Management of Company Information”

**Related laws** Copyright Act, Patent Act, Trademark Act, Design Act, Utility Model Act, Intellectual Property Basic Act, etc.

## Things We Must Not Do

The following acts are examples of intellectual property right infringement:

- Providing and disclosing intellectual property owned by the company to a third party without permission.
- Copying or installing software used within the company without permission.
- Creating an imitated version of another company's product, service, or brochure, or requesting a supplier to create an imitated version.
- Copying and using books and text on the Internet without citing the source.
- Buying and using an item while knowing that it is a fake or pirated version.



## 3-3 Management of Company Information

### Code of Conduct

- We properly manage information possessed by the company in accordance with internal rules.
- We make every effort not to release or leak confidential information that is an important asset of the company.

### Our Promises

#### ■ We Will Manage Information Properly

Information, just like money and people, is an asset that a company needs to operate. By “properly managing and ensuring accuracy and completeness”, information can be used as a corporate strength.

We thoroughly ensure that information is “only used when necessary by people who require it for work”, and do not use it for private matters.

#### ■ We Will Act in Such a Way So as to Prevent Information from Being Released or Leaked

Information within the company includes a lot of confidential information such as pre-announced product information, manufacturing know-how, and information on clients, etc. If confidential information is released or leaked regardless of whether it is done so intentionally or carelessly, it will cause serious damage such as a loss of competitiveness or a loss of trust. The ‘unmalicious releasing of information’, such as by ‘information being released from a computer infected with a virus’ ‘emailed to someone unintentionally by mistake’, or ‘losing one’s laptop’, is also unforgivable.

We will take extra care not to fall prone to the aforementioned incidents and act in such a way so as to prevent information from being released or leaked.

#### Related page

“3-1 Management of Personal Information”  
“3-2 Protection and Use of Intellectual Property Rights”

#### Related laws

Personal Information Protection Act (law concerning the protection of personal information), Unfair Competition Prevention Act, etc.



## Things We Must Not Do

The following acts are examples of actions that lead to the release or leaking of information:

- Obtaining confidential information within the company without authorization, and taking it outside the company without permission.
- Handling confidential information on a laptop brought in from home or outside the company.
- Installing unauthorized software on the computer you use at work.
- Leaving devices containing confidential information, etc. unattended on a plane or train (placed on a storage shelf and then left unattended while asleep, etc.)
- Sending emails or faxes without sufficiently confirming the recipient.
- Talking about confidential information in a location where there may be a third party such as on a train, in an elevator, in a dining area, etc.
- Discussing confidential information at a gathering with family and acquaintances.
- Losing a smartphone (or another information-carrying device) that has confidential or personal information.
- Not reporting the loss of a device that stores information.



## 3-4 Management and Use of Buildings, Facilities, Equipment, Etc.

### Code of Conduct

- We use the buildings, facilities, and equipment owned by the company only for corporate activities in accordance with the rules.
- We do not use items lent by the company for private purposes.

### Our Promises

#### ■ We Will Use Buildings, Facilities, and Equipment According to the Rules

Buildings, facilities, and equipment owned by the company are important company assets. No longer being able to use them normally due to loss, damage, or ignoring the rules, etc., will hinder corporate activities and cause great inconvenience to customers and suppliers.

We will look after our buildings, facilities, and equipment and use them properly in accordance with internal rules.

#### ■ We Will Use Items Borrowed from the Company for Company Activities Only

We will use items lent to us by the company only for work and activities permitted by the company. Using these items for private purposes or selling them without permission is not only a violation of office regulations, but it is also a criminal offense.

#### Related laws

Penal Code (business embezzlement, theft, etc.), Labor Contract Act

## Things We Must Not Do

The following acts are examples of using buildings, equipment, and fixtures for private means:

- Using facilities such as meeting rooms for reasons unrelated to work.
- Using a computer borrowed from the company for things that have nothing to do with work (online auctions, stock trading, etc.).
- Using equipment such as batteries, pens, envelopes, etc. for private purposes.
- Borrowing unused company equipment without permission.
- Selling the company's leftover novelty goods without permission, or handing them over to an acquaintance.



## 3-5 Cautions on Using Email

### Code of Conduct

- **We use email properly in accordance with internal rules.**

### Our Promises

#### ■ **We Will Use Email Properly**

While email is very useful as a tool for communicating information, confidential information may also be easily released through email.

We will use email correctly with this risk in mind.

#### ■ **We Will Prevent Information from Being Leaked by Email**

We will take extra care not to leak information by email, and before sending an email, we will make sure to check that the recipient is correct.

If you use the 'Reply to all' function, check before sending the email whether its content can be disclosed to all recipients.

When sending confidential information to someone outside the company, for example, use a file transfer service or online storage platform to prevent information leakage due to incorrectly sending attached files or access through fraudulent means.

Emails from unknown senders and emails from suspicious addresses may carry viruses, so delete them without opening them.

#### ■ **We Will Be Cautious of Targeted Email Attacks**

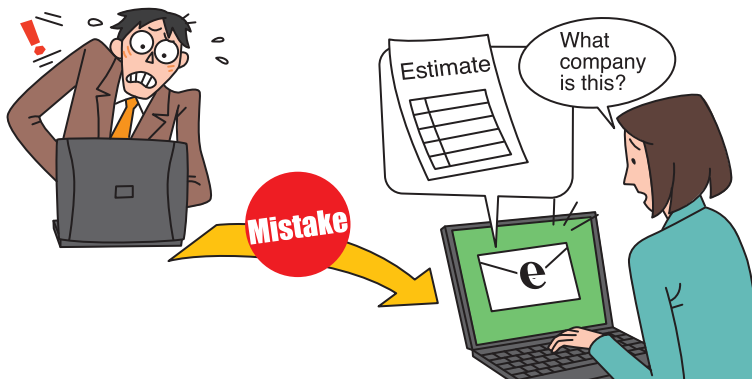
Targeted email attacks are emails that are cleverly disguised as containing business-related content but in actual fact are designed to infect the recipient's computer with a virus. The tricks of targeted email attacks are constantly evolving and becoming more sophisticated.

We will not inadvertently open emails or attachments from strangers, but will delete them immediately according to internal rules.

## Things We Must Not Do

The following acts are examples that lead to the inappropriate use of email and the release or leaking of information:

- Sending large attachments that will cause trouble for the recipient.
- Sending an email that is libelous of others.
- Replying to unknown or suspicious email addresses.
- Sending emails that contain excessive symbols, decorations, and coloring that is inappropriate for work.
- Sending confidential information to a personal email address, such as the one used at home, or the transferring of files.
- Sending emails or FAX without sufficiently confirming the recipient.
- Despite it being an unfamiliar email, opening the attachment because the sender was our business partner (delete the unfamiliar email because it may be a targeted email attack).



## 3-6 Appropriate Use of IT

### Code of Conduct

- We use IT properly in accordance with internal rules.

### Our Promises

#### ■ We Will Use IT Properly

IT is an essential tool for carrying out all kinds of work.

However, although IT is convenient, making a single mistake when using it may cause a great deal of damage to the company. In using IT, company rules stipulate action to be taken against incidents that require particular attention such as the leakage, destruction, falsification, and deletion of information assets, as well as the infection of computer viruses and unauthorized access, etc.

In addition, an information manager is assigned to each department to manage everything related to IT within that department.

If any uncertainties arise in the use of IT, we will read the company rules or consult with the information manager.

## Things to Keep in Mind

The following acts are examples of the appropriate use of IT:

- **Imposing information handling restrictions (Top Secret, Secret, Confidential) on information assets in accordance with the classification of information defined in the internal regulations.**
- **When storing electronic data such as confidential documents, taking measures such as adding passwords to files and storing them in a folder for which an access restriction has been set.**
- **Before taking company information outside the company, obtaining permission from an approver (depending on the classification of the information assets) beforehand.**
- **In the case of saving or copying confidential information to storage media such as a USB memory stick or CD-R, obtaining the permission of the information manager.**
- **Never performing company work with your personal laptop. If you absolutely must do work outside the company, borrow a company-owned laptop.**
- **Tidying your desk when leaving the office. Locking your computer when leaving your seat (Windows key + L key).**
- **Making sure that the ID and password you are using are not known to others. Also, setting a password of a suitable length as well as change it regularly.**
- **Avoid handling confidential information on computers not owned by the company such as those at home or those installed in a hotel or Internet cafe.**
- **Not installing unauthorized software on computers used at work.**



## 3-7 Use of Vehicles in Compliance with the Road Traffic Act and Driving Etiquette

### Code of Conduct

- We use vehicles in compliance with the Road Traffic Act. We will not do anything to cause trouble such as violating driving etiquette or unwelcome behavior.

### Our Promises

- We Will Observe the Road Traffic Act and Driving Etiquette

Driving a vehicle without observing the Road Traffic Act and driving etiquette can lead to tragic accidents resulting in death or serious injury and/or property damage. It is against the law to commit acts of road rage towards other vehicles (such as driving dangerously close to other vehicles) or littering garbage from inside the vehicle.

We will observe the Road Traffic Act and strive to drive safely.

- We Will Be Aware That How We Drive Is Witnessed by Members of Society

Whether it is with a company-owned vehicle or your own vehicle, causing an accident or violating driving etiquette will damage the reputation of the company. In recent years, in particular, there have been many cases in which footage of dangerous driving and people violating driving etiquette have been recorded and uploaded to social media and attracted widespread attention while identifying the offenders.

We will drive with caution, conscious of the fact that the eyes of the public are on us.

#### Related laws

Road Traffic Act, Act on Punishment of Acts Inflicting Death or Injury on Others by Driving a Motor Vehicle, etc. (crimes of dangerous driving resulting in deaths or injuries), Penal Code (crimes of violence)



## Things We Must Not Do

The following acts are examples of improper management of a vehicle, violation of driving etiquette, or unwelcome behavior:

- Leaving items that could provoke someone to break into the vehicle and steal them such as work bags, valuables, laptops, and confidential information (not only will the vehicle be damaged but it will also result in the leaking of information).
- Not reporting to the company any traffic accidents or traffic violations that occur during working hours or commuting.
- Committing acts that violate the Road Traffic Act (driving without a license, parking illegally, using a cell phone while driving, not fastening seat belts, etc.).
- Making or receiving hands-free calls while driving (prohibited at the company).
- Driving while slightly intoxicated or driving while drunk (be careful not to drink too much the day before driving, as alcohol may still be in your system).
- Reacting angrily to being cautioned about driving etiquette, and committing road rage.



## 4-1 Environmental Conservation Initiatives

### Code of Conduct

- We abide by environmental laws and regulations.
- We strive, in all our business activities, to reduce the impact they have on the environment.
- We continue to protect the environment through first-hand initiatives such as environmentally-conscious driving and the use of eco-friendly products.

### Our Promises

#### ■ We Will Abide by Environmental Laws and Regulations

There is an urgent need to cut down on using global resources and consider the environment in order to create a society in which the next generation of children can live with peace of mind.

We will be fully aware of and comply with the laws and regulations that apply to our business activities.

#### ■ We Will Endeavor to Reduce Our Impact on the Environment

To reduce our impact on the environment, we will control the amount of greenhouse gases, harmful chemical substances, and waste we produce. We will also continue to save energy and use resources effectively and actively work on recycling by separating garbage appropriately for collection.

#### ■ We Will Continue First-Hand Initiatives Such as Environmentally-Conscious Driving and the Use of Eco-Friendly Products

We will not assume that someone will protect the environment for us, but rather, we will take the initiative to do what we can. We will endeavor to introduce energy-saving equipment, implement environmentally-conscious driving, and turn off any equipment that is not being used.

#### Related laws

Law Concerning Waste Disposal and Scavenging (Waste Disposal Law), The Challenge to establish Recycling-based Society, Law for the Promotion of Effective Utilization of Resources, The Basic Environment Law, Act on the Rational Use of Energy, etc.

## Things to Keep in Mind

The following actions are examples of initiatives to protect the environment:

- **Striving to plan, design, and develop products with low environmental impact, and promoting energy-saving and the 3Rs (reduce, reuse, recycle).**
- **Continuing the switch to environmentally-friendly raw materials and giving consideration to the safety and health of consumers as well as the environment.**
- **Keeping waste, noise, wastewater, and other emissions within the scope of legal standards and working to further reduce them.**
- **Introducing technologies and energy-saving devices that are excellent in helping prevent global warming and striving for eco-driving such as by accelerating gently and turning off an idling engine.**
- **trying to separate waste, such as by removing labels from PET bottle containers, and recycling.**
- **Reducing the amount of electricity consumed by offices by raising the temperature of air-conditioning, lowering the temperature of heating, or turning off unnecessary lighting.**



### Code of Conduct

- We strive to build and maintain good relationships with local communities.
- We aim for harmonious relationships and mutual prosperity with local communities by fully appreciating local communities and conducting corporate activities based on local communities.

### Our Promises

#### ■ We Will Build Good Relationships with Communities

Companies and communities are two sides of the same coin. A good relationship with the community in which we live and work is built on integrity and trust.

We will build a good relationship in which we are trusted by the community by always acting with high ethical standards and creating ties with people in the community.

#### ■ We Will Aim for a Harmonious Relationship and Mutual Prosperity with Local Communities

Companies are part of the community. Each of us as employees acting responsibly as good citizens and good members of society and striving to contribute to the local community in turn leads to the acceptance of the company by the local community and a harmonious relationship and mutual prosperity with the local community.

We will willingly participate in activities that help to develop the local area.

## Things to Keep in Mind

The following acts are examples of initiatives aimed at a harmonious relationship with local communities:

- **Complying with laws and regulations, behaving ethically and in good faith, and earning the trust of the local community.**
- **Being aware that you are always the subject of interest from the community and to be disciplined in how one behaves in one's private life.**
- **Continuing to establish disaster-resilient and safe workplaces for our employees, business partners, and local communities.**
- **Trying to understand and respect local culture, customs, and values.**
- **Through dialogue with the local people, learning about the views, ways of thinking, and values of the local community toward the company and employees, and incorporating the shared values into our business activities.**
- **Actively participating in local events such as seasonal festivals, sports events, and voluntary clean-up activities.**



### Code of Conduct

- We do not make illegal donations or contributions to political parties, local branches of political parties, or political funding organizations.

### Our Promises

- We Will Make Appropriate Contributions to Political Parties and Political Funding Organizations in Accordance with the Law

In present-day Japan, companies and industry organizations are prohibited from making contributions to specific politicians by the Political Funds Control Act. This is because politicians who receive contributions from companies can distort government policies.

Furthermore, contributions under the name of others and the purchasing of party tickets are also prohibited. Political contributions from the companies are limited to political parties, local branches of a political party, and political funding organizations.

When making a political contribution, we will comply with the relevant laws and regulations and follow all appropriate in-house approval procedures.

\*So-called political contributions (providing funds to politicians and political parties) are called “donations” in the Political Funds Control Law.

#### Penalties

- If a company makes a contribution to someone other than a political party, etc., the person responsible will be imprisoned for up to 1 year without hard labor or fined up to 500,000 yen.
- If you make a political contribution or purchase a party ticket in the name of another person, you will be imprisoned for up to 3 years without hard labor or fined up to 500,000 yen.

Related laws Political Funds Control Law

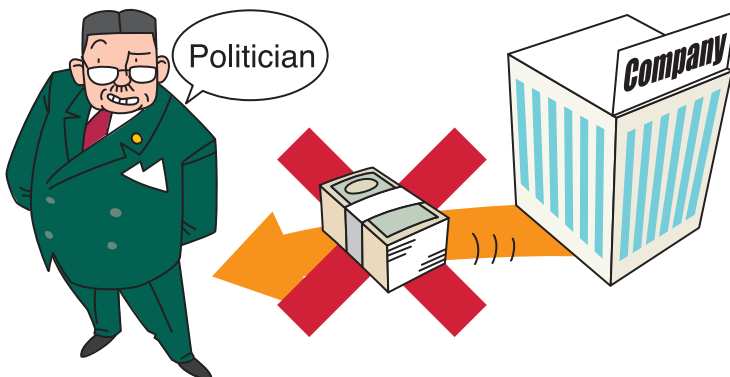
## Things We Must Not Do

The following are examples of illegal or improper donations and contributions to political parties or political organizations:

- Companies making political contributions to specific politicians, and not political parties or political funding organizations.
- Companies making political contributions to organizations other than political parties.
- Companies subsidized by the government and companies in the red for three consecutive years making political contributions.
- Making political contributions or purchasing a party ticket for a political funding party in the name of another person.
- Making political contributions in the name of a company without going through the in-house payment approval procedures.

### **Making Illegal Contributions to General Contractors Acting as a Front for Political Organizations**

A semi-major general contractor established a political organization represented by a former employee. Employees were made to pay a “membership fee” to be a member of the political organization. The funds were then contributed by the political organization to members of the Diet. Meanwhile, for employees who were forced to pay the membership fee, the membership fee was added to their bonus as compensation.



## Code of Conduct

- We have no connection whatsoever with anti-social activities or forces.
- We do not give in to the unreasonable demands of anti-social forces.

## Our Promises

### ■ We Will Have No Connection Whatsoever with Anti-Social Activities or Forces

Anti-social activities or organizations such as gangs, corporate extortionists, or organized criminal groups threaten the order and security of our society. We stand firm against these anti-social forces and have no connection to them whatsoever. Furthermore, we will not do anything that supports the activities of anti-social forces.

Some anti-social activities and forces/groups masquerade as ordinary companies or organizations. If there is a company or organization that you are in contact with for the first time, make sure to research information on them and check as to whether there are any concerns.

### ■ We Will Not Give in to the Unreasonable Demands of Anti-Social Forces

When we receive any request from anti-social forces, we will resolutely decline and not seek a simple resolution. Providing money, goods, or profits, etc. to anti-social forces can cause the situation to escalate even if done once. Thoroughly adhere to the “3 Not +1” principle (Nippon Keidan-ren’s Charter of Corporate Code) of “Not giving money,” “Not using,” “Not being afraid,” and “Not associating,” and do not under any circumstances engage in these anti-social transactions.

#### Related laws

Act for the Prevention of Wrongful Acts by Members of Organized Crime Groups, Companies Act, Act for Punishment of Organized Crimes, Control of Crime Proceeds and Other Matters, organized crime group elimination ordinances stipulated by each local government



## Things We Must Not Do

The following acts are examples of having connections with anti-social activities and forces (corporate racketeers, gangsters, etc.):

- Looking to financially resolve unreasonable demands made by anti-social forces.
- Providing money and services to anti-social forces.
- Buying goods from anti-social forces.
- Subscribing to magazines and books published by anti-social forces, or placing advertisements in said magazines and books (there is a risk that this could be considered to be an illegal pay-off).
- Doing business with a company who is connected to anti-social forces.
- Requesting anti-social forces to act on one's behalf (to collect debts, etc.).
- Providing profits to anti-social forces when they exercise their rights as shareholders.

If you receive a request to engage in an anti-social activity or from an anti-social force, please consult with and report to your manager or the Compliance Hotline and try to resolve this matter promptly. We must work closely with the police and government agencies to eliminate anti-social forces.



## Code of Conduct

- **When we receive inquiries from mass media organizations, analysts, lawyers, government offices, etc., we do not respond to them at our own discretion but instead consult with someone above us.**

## Our Promises

- **We Will Firstly Consult with Someone Above Us**

We may receive inquiries from mass media organizations such as newspapers, magazines, radio and television channels, as well as lawyers, and government agencies.

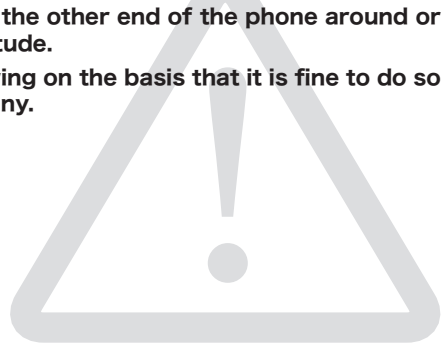
Providing information to these mass media organizations and individuals, even if it is a personal opinion, will be regarded as the official opinion of the company and may be communicated to the rest of the world.

When we receive an inquiry, we do not answer it at our own discretion but instead firstly consult with someone above us. Depending on the content of the inquiry, we will ask the department in charge such as Public Relations, Legal Affairs, General Affairs, Accounting, etc. to respond.

## Things We Must Not Do

The following acts are examples of inappropriate responses to inquiries:

- Receiving a phone call from a mass media organization requesting an interview and the employee who happens to answer the phone giving an ambiguous answer.
- Expressing your personal opinion for interviews or inquiries from media or investors, etc., without running it by the person in charge because it was information that you knew.
- Transferring the person on the other end of the phone around or responding with a poor attitude.
- Sparking rumors or slandering on the basis that it is fine to do so if it is about another company.



# Let's Be Careful

## ■ Workplace Safety and Sanitation (P.20)

- Smoking is prohibited indoors, except in company-designated smoking rooms.
- If you become sick such as become infected with a new strain of influenza or the like, take appropriate measures by following the doctor's diagnosis and the company's judgment and instructions.

## ■ Export Control & Import/Export Procedures (P.48, P.50)

- When exporting cargo, make sure to apply for permission to export.
- When re-exporting cargo imported from the United States or cargo of a US manufacturer imported from outside the United States, you must check EAR (US Export Administration Regulations).
- Carrying onboard luggage that has not been properly declared for import or export is a violation of the law, so do not carry on such luggage under any circumstances.
- In Hong Kong, it is obligatory to obtain a license from the Industrial Trade Bureau not only for exports but also for imports.

## ■ Information Management (P.60, P.62, P.68)

- Except for business cards obtained in person, employees cannot possess the personal information (paper media or electronic data) held by the company and take it off company premises.
- You may not use copyrighted works or trademarks such as images, articles, and papers managed by a third party without permission.
- It is prohibited to bring your own laptop to work or use it for business purposes.
- Confidential paper documents should be stored in locked storage.
- When discarding paper media on which confidential information or important company information is printed, make sure to shred it.
- As external recording media, only a company-lent USB flash memory with an encryption function can be used, and personally owned USB flash memories cannot be used.

## ■ Preventing Information Leakage (P.56, P.62, P.66)

- Posting information about the company or suppliers on social media platforms, even from your own mobile device, will lead to the leaking of confidential information and damage the reputation and credibility of the Company.
- If you know beforehand that you will drink an alcoholic beverage, as a general rule, do not take with you the laptop lent to you by the company.
- When sending an email or FAX, make sure to properly check the recipient and be careful not to send it to the wrong person.
- When traveling by train or using a laptop outside the company, take sufficient care to prevent third parties from looking at sensitive information on the screen.
- Avoid talking about company information in places where you are in the presence of the general public, such as on trains or in taxis, restaurants, or bars.

## ■ Vehicle Management (P.70)

- If you cause a traffic accident or traffic violation during work, report it to the company immediately.
- Company-owned vehicles must not be used for private purposes outside of work.
- Illegal parking on a street or in someone else's parking space/lot is prohibited regardless of whether it is a company-owned car or a private car.
- Do not leave your work bag, valuables, company-lent laptop, or confidential information in your car in case of car break-ins.

## ■ Driving While Slightly Intoxicated & Drunk Driving (P.70)

- Driving while slightly intoxicated and drunk driving are strictly prohibited under any circumstances. If you violate this rule, you will be subject to disciplinary action.
- Depending on the amount of alcohol you consume and your physical constitution, alcohol may still be in your system the following morning. Be careful not to drink too much the day before you drive.

# Rules for Using This Guidebook

## ■ 1. How Should I Use This Guidebook?

This guidebook encapsulates compliance at the OUTSOURCING Group and sets out the basics that you as OUTSOURCING Group staff should comply with in your day-to-day work. If you experience any uncertainties regarding compliance while doing your job, please refer to this guidebook to help you make a decision.

## ■ 2. Who Is This Guidebook For?

This guidebook is intended for anyone involved in work as an OUTSOURCING Group staff member.

## ■ 3. How Should I Respond to Violations of This Guidebook?

If you discover any behavior that is a violation of the contents of this guidebook, or if you inadvertently engage in such behavior yourself, please report it promptly with your heart in the right place.

Disciplinary action for infractions and/or violations will be decided based on the OUTSOURCING Group's Employment Regulations, etc.



# Points of Contact for Compliance Complaints and Consultations



- If you are subjected to sexual harassment or workplace bullying or if you feel that there is a compliance violation taking place in the workplace, you need not suffer alone but instead talk to the people around you.
- There may be hidden compliance violations in incidents that take place at work. We must work toward a solution without thinking it's a personal problem and turning a blind eye to what is happening in the workplace.



The Points of Contact for Compliance Complaints and Consultations can be used to help resolve any compliance issues. In principle, it is recommended to resolve compliance issues in the workplace. However, if the issue cannot be resolved in the workplace, for example, if the party violating compliance is your superior, please contact the Points of Contact for Compliance Complaints and Consultations.

In accordance with the objectives of the Whistleblower Protection Act, whistleblowers will not be treated unfavorably for speaking out. The Points of Contact for Compliance Complaints and Consultations keep the name and department of the whistleblower secret. You can also contact us anonymously.

The way to contact the Points of Contact for Compliance Complaints and Consultations is as follows.

## ■ Points of Contact for Compliance Complaints and Consultations

### Compliance Hotline

Whistleblower reports to be made to: Compliance Support Division, Rodo Shimbun Co., Ltd.

WEB: <https://www.rodco.jp/compliance/>

[User name] outsourcing [Password] o4gs

(Available 24 hours a day)

TEL : 0120-554-874 (Reception hours: Wednesday and Friday 15:00 to 20:00, Saturday 13:00 to 18:00)

FAX : 03-5539-3707

## ■ Reports on Progress and Results of Investigations

Whistleblower reports will be examined by the Compliance Violation Prevention Committee after investigating the facts and authenticity at the Compliance Hotline (point of contact). If it is determined that a compliance violation has been committed, the committee will give instructions and orders for corrective action to be taken.

To whistleblowers, we will report the outcome of investigating the facts and truth of the report and the necessity of deliberation by the Compliance Violation Prevention Committee, and if a compliance violation is identified, an outline of the instructions and orders for corrective action given by the Compliance Violation Prevention Committee.

We will not, however, report the situation and outcome of the investigation to those who choose to make a report anonymously.

# The Main Penalties Related to Compliance Violations

Act	Penalties, etc.	Supplementary Information
Sexual Harassment	Indecent assault: imprisonment from 6 months up to 10 years with hard labor.	Performing an act of molestation by groping the body of another person through their clothes. Less serious crimes are punished under the local prefectural government's ordinance against disturbing the peace.
	Distribution of obscene objects: imprisonment up to 2 years with hard labor or a fine of up to 2.5 million yen or a penal fine.	Posting up an obscene poster.
Workplace bullying	Defamation of character: imprisonment up to 3 years with or without hard labor or a fine of up to 500,000 yen.	Defamation of character by giving facts in front of many colleagues.
	Slander: detention or a penal fine.	Insulting someone without giving facts.
	Inflicting injury: imprisonment of up to 15 years with hard labor or a fine of up to 500,000 yen.	Making someone sick by continuing to harass them.
Leaking of trade secrets	Infringement of trade secrets (Unfair Competition Prevention Act): Imprisonment of up to 10 years with hard labor or a fine of up to 20 million yen, or both.	Leaking a trade secret for the purpose of obtaining an illegal profit or causing damage to a party, illegally obtaining a trade secret, etc. A fine of up to 500 million yen for corporations, or if the trade secret is used overseas, a fine of up to 30 million yen for individuals and 1 billion yen for corporations.
	Theft: imprisonment of up to 10 years with hard labor or a fine of up to 500,000 yen.	Even if the information does not fall under trade secrets in the Unfair Competition Prevention Act, taking home media that has information recorded on it.
Copyright infringement	Copyright law Offender: imprisonment of up to 10 years with hard labor or a fine of up to 10 million yen. Corporate punishment: fine of up to 300 million yen.	This includes software piracy.
Trademark infringement	Trademark Act Offender: imprisonment of up to 10 years with hard labor or a fine of up to 10 million yen. Corporate punishment: fine of up to 300 million yen.	
	Unfair Competition Prevention Act Offender: imprisonment of up to 5 years with hard labor or a fine of up to 5 million yen. Corporate punishment: fine of up to 300 million yen.	
Padded invoicing of expenses Invoicing of fake expenses	Forgery of private documents or being found guilty of being an accomplice: imprisonment of between 3 months to 5 years with hard labor.	
	Fraud: imprisonment of up to 10 years with hard labor.	
Embezzlement of deposits	Corporate embezzlement: imprisonment of up to 10 years with hard labor.	
Misuse of company property for personal needs	Theft: imprisonment of up to 10 years with hard labor or a fine of up to 500,000 yen.	The act of taking home company items and equipment may also be punished.
	Corporate embezzlement: imprisonment of up to 10 years with hard labor.	
Speaking badly of someone in front of many colleagues.	Defamation of character: imprisonment up to 3 years with or without hard labor or a fine of up to 500,000 yen.	If it has the potential to spread to an unspecified number or a large number of people, it is considered defamation of character even if it is a rumor among a small number of people.
	Slander: detention or a penal fine.	
Receiving a kickback (rebate) personally from a supplier.	Aggravated breach of trust: imprisonment of up to 5 years with hard labor or a fine of up to 500,000 yen.	Aggravated breach of trust: A crime in which a person carrying out business affairs for another person breaches his/her duties and inflicts damages for the purpose of profiting oneself or a third party or damaging the victim. Example of aggravated breach of trust: The act of using one's position in the procurement department of a company to purchase items at high prices from a supplier and receiving the difference as a bribe.
	Fraud: imprisonment of up to 10 years with hard labor.	
Unauthorized creation of company seal.	Forgery of private seal: imprisonment of up to 3 years with hard labor.	
Creating a contract without permission.	Forgery of private documents: imprisonment for between 3 months to 5 years with hard labor.	

Act	Penalties, etc.	Supplementary Information
Placing an order verbally (For transactions that come under the Subcontracting Act)	Subcontracting Act Offender: a fine of up to 500,000 yen. Corporate punishment: a fine of up to 500,000 yen.	Violation of obligation to issue written purchase order under the Subcontracting Act
Providing, offering, or promising bribes to public officials.	Bribery: imprisonment of up to 3 years with hard labor or a fine of up to 2.5 million yen.	
Providing, offering, or promising bribes to foreign public officials, etc.	Bribing foreign public officials Offender: imprisonment of up to 5 years with hard labor or a fine of up to 5 million yen. Corporate punishment: fine of up to 300 million yen.	You may be punished by the law in countries other than Japan
Insider trading	Financial Instruments and Exchange Act Offender: imprisonment of up to 5 years with hard labor or a fine of up to 5 million yen. Corporate punishment: fine of up to 500 million yen.	In principle, all assets obtained from insider trading are confiscated and collected.
Distributing unfounded information for the purpose of fluctuating stock prices (spreading rumors).	Financial Instruments and Exchange Act Offender: imprisonment of up to 10 years with hard labor or a fine of up to 10 million yen. Corporate punishment: fine of up to 700 million yen.	For trading based on spreading rumors: imprisonment of up to 10 years with hard labor or a fine of up to 30 million yen. In principle, all assets obtained from such trading are confiscated and collected.
Slander of other companies	Damage to credit or obstruction of business: imprisonment of up to 3 years with hard labor or a fine of up to 500,000 yen.	Spreading false rumors or using fraudulent means to damage the credit or obstruct the business of other companies.
Committing dangerous acts such as ignoring traffic lights while riding a bicycle.	Workshop on safe bicycle riding (when subject to the safety enforcement twice within 3 years): If you do not attend, you will be subject to a fine of up to 50,000 yen.	It covers 15 offenses such as ignoring traffic lights and obstruction of driving. If it is malicious, it may be punished in the same manner as an automobile. For example, in the case of ignoring a traffic light, the penalty is imprisonment of up to 3 years with hard labor or a fine of up to 50,000 yen.
When a traffic hazard is caused by using a cellphone while driving a car, etc.	Violation of Road Traffic Act: imprisonment of up to 1 year with hard labor or a fine of up to 300,000 yen	Even if you do not cause an accident, you will be imprisoned for up to 6 months with hard labor or receive a fine of up to 100,000 yen just for using a cellphone while driving.
Drunk driving	Driving while heavily intoxicated: imprisonment of up to 5 years with hard labor or a fine of up to 1 million yen.  Driving while slightly intoxicated: imprisonment of up to 3 years with hard labor or a fine of up to 500,000 yen.* *If injury or death occurs as a result, you may be charged with vehicular homicide.	Driving while heavily intoxicated: Driving (steering) while heavily under the influence of alcohol in a state where one lacks the ability to drive regardless of one's alcohol concentration level (35 points (immediate license revocation) disqualified from driving for a period of 3 years). Driving while slightly intoxicated: Driving (steering) while one's breath or blood alcohol concentration is above a certain level due to drinking, etc. (25 points for 0.25 mg or above, 13 points for less than 0.25 mg).
Requesting or demanding to ride in a person's car who is under the influence of alcohol.	Driving while heavily intoxicated: imprisonment of up to 3 years with hard labor or a fine of up to 500,000 yen.  Driving while slightly intoxicated: imprisonment of up to 2 years with hard labor or a fine of up to 300,000 yen.	This also applies when riding in a vehicle when knowing that the driver is driving under the influence of alcohol.
Providing alcohol to those driving.	Driving while heavily intoxicated: imprisonment of up to 3 years with hard labor or a fine of up to 500,000 yen.  Driving while slightly intoxicated: imprisonment of up to 2 years with hard labor or a fine of up to 300,000 yen.	Drinking together with someone while knowing that they will be driving (this can even equate to pouring alcohol into the cup of the designated driver).
Dangerous driving, malicious driving, etc.	Vehicular homicide Imprisoned for a fixed term of at least 1 year with hard labor (drunk driving, speeding, obstructive driving, etc.) Imprisonment of up to 15 years with hard labor (driving in a state in which significant obstacles to normal driving might occur)  Dangerous driving resulting in deaths or injuries Imprisonment of up to 15 years with hard labor (drunk driving, speeding, obstructive driving, etc.) Imprisonment of up to 12 years with hard labor (driving in a state in which significant obstacles to normal driving might occur)  Evading the detection of the influence of alcohol (fleeing to avoid the detection of the influence and degree of alcohol and drugs) Imprisonment of up to 12 years with hard labor.	Malicious obstructive driving (road rage) is also subject to punishment as driving with the goal of causing obstruction. If driving without a license, an even more significant penalty may be added to the statutory penalty. Fleeing to avoid the detection of the influence and degree of alcohol and drugs is charged with evasion of detection (up to 12 years in prison with hard labor). If dangerous driving cannot be applied, such as the influence of alcohol is unknown, it will fall under negligent driving resulting in injury or death (up to 7 years imprisonment with or without hard labor or a fine of up to 1 million yen).

Act	Penalties, etc.	Supplementary Information
Hit and run	Failing to assist persons in danger; imprisonment of up to 10 years with hard labor or a fine of up to 1 million yen.	It is still deemed failing to assist persons in danger even if you go to the police later on.
	Negligent driving resulting in injury or death; imprisonment with or without hard labor for up to 7 years or a fine of up to 1 million yen.	
Road rage	Obstructive driving (risk of causing a traffic accident) Imprisonment of up to 3 years with hard labor or a fine of up to 500,000 yen.	There are 10 types of road rage, such as being dangerously close to other vehicles, changing direction suddenly, and braking suddenly, and administrative sanctions for revoking the license of offenders are also imposed. In the case of bicycles, 7 types of road rage are also subject to punishment. If an injury or death occurs, you may be guilty of dangerous driving resulting in deaths or injuries.
	Obstructive driving (risk of causing a significant traffic accident) Imprisonment of up to 5 years with hard labor or a fine of up to 1,000,000 yen.	
Driving without a license	Violation of Road Traffic Act; imprisonment of up to 3 years with hard labor or a fine of up to 500,000 yen.	Includes driving with an expired license due to reasons such as forgetting to renew, etc.
Molestation	Ordinance against disturbing the peace (in the case of the Tokyo metropolitan area): imprisonment of up to 6 months with hard labor or a fine of up to 500,000 yen (if the offender is observed to be a serial offender, imprisonment of up to 1 year with hard labor or a fine of up to 1 million yen).	Doing or saying something obscene in a public place or on public transport to cause people to feel extremely uneasy or anxious.
	Indecent assault; imprisonment from 6 months up to 10 years with hard labor.	
Camera voyeurism	Ordinance against disturbing the peace (in the case of the Tokyo metropolitan area): imprisonment of up to 1 year with hard labor or a fine of up to 1 million yen (if the offender is observed to be a serial offender, up to 2 years in prison with hard labor or a fine of up to 1 million yen).	
	Minor Offenses Act; detention or penal fine	
Child prostitution	Act on Regulation and Punishment of Acts Relating to Child Prostitution and Child Pornography; imprisonment of up to 5 years with hard labor or a fine of up to 3 million yen.	Children are deemed to be persons under the age of 18.
	Simple possession of child pornography; imprisonment of up to 1 year with hard labor or a fine of up to 1 million yen.	
	Indecent assault or quasi-indecent assault; imprisonment of between 6 months to 10 years with hard labor.	For boys and girls under the age of 13, it is deemed indecent assault or rape even if there is consent.
Unwelcome behavior in public places or on public transport while under the influence of alcohol.	Law concerning Prevention of Acts of Nuisance by Intoxicated Persons; detention or penal fine. (If you resist checks made by police officers, you will receive a fine of up to 10,000 yen.)	This offense is judged to have occurred when an intoxicated person commits grossly crude or violent behavior that disturbs members of the general public in a public place or on public transport.
Stalking	Stalker Regulation Law; imprisonment of up to 1 year with hard labor or a fine of up to 1 million yen	There are penalties in place that punish repeatedly following the same person as an act of stalking.
	Ordinance against disturbing the peace (in the case of the Tokyo metropolitan area): imprisonment of up to 1 year with hard labor or a fine of up to 1 million yen (serial offender: up to 2 years in prison with hard labor or a fine of up to 1 million yen).	
Shoplifting	Theft; imprisonment of up to 10 years with hard labor or a fine of up to 500,000 yen.	The charge may escalate to robbery if you knock a clerk, etc. out of the way to escape.
Snatching	Theft; imprisonment of up to 10 years with hard labor or a fine of up to 500,000 yen.	If the victim suffers an injury, it is considered to be robbery (imprisoned for an undefined term or imprisonment for at least 6 years with hard labor).
	Robbery; imprisonment for a defined term of at least 5 years with hard labor.	
Intimidation	Intimidation; imprisonment of up to 2 years with hard labor or a fine of up to 300,000 yen.	It is extortion when obtaining a property through intimidation.
Blackmail	Blackmail; imprisonment of up to 10 years with hard labor.	It is considered a robbery charge when the crime is accomplished by violence or the threat of it to overcome resistance from the victim.

Act	Penalties, etc.	Supplementary Information
Forcing others to write an apology letter. Forcing others to undress (without sexual intent).	Extortion: imprisonment of up to 3 years with hard labor.	It may also be considered extortion if the employer forces the worker to choose whether to be fired or leave the company for personal reasons, and have them write a letter of resignation ("for personal reasons" rather than "for company reasons").
Concealing lost items or not returning extra amounts of change.	Embezzlement of lost property; imprisonment of up to 1 year with hard labor or a fine of up to 100,000 yen or a penal fine.	Cases such as realizing later that you had been given too much change but decided not to return it.
	Fraud: imprisonment of up to 10 years with hard labor.	Cases such as realizing that you had been given too much change but left the scene without saying anything.
Fare evasion	Fraud: imprisonment of up to 10 years with hard labor.	Fare-evading through an automatic ticket gate will be charged with computer fraud.
Fighting or quarreling	Assault charges: imprisonment of up to 2 years with hard labor or a fine of up to 300,000 yen or detention or a penal fine.	
	Inflicting injury: imprisonment of up to 15 years with hard labor or a fine of up to 500,000 yen.	
	Slander: detention or a penal fine.	
Nuisance telephone calls	Fraudulent obstruction of business: imprisonment of up to 3 years with hard labor or a fine of up to 500,000 yen.	It is considered inflicting an injury when the act damages the health of the victim, such as them suffering a nervous breakdown (It is also considered an injury if you cause dizziness or nausea, or have somebody faint for a long time).
	Inflicting injury: imprisonment of up to 15 years with hard labor or a fine of up to 500,000 yen.	
Mahjong-related betting, golf-related betting	Gambling charges: a fine of up to 500,000 yen or a penal fine (up to 3 years in prison with hard labor if the offender is observed to be a serial offender).	Except when betting on something that is considered momentary entertainment (it is not considered gambling if one of the parties involved prepares prizes and another party loses but does not suffer financial damages, such as a bingo game that often takes place at parties, etc.)
Charging your cellphone without permission at a restaurant.	Theft: imprisonment of up to 10 years with hard labor or a fine of up to 500,000 yen.	
Purchasing something while knowing it is stolen goods	Receiving compensation for stolen goods: imprisonment of up to 10 years with hard labor and a fine of up to 500,000 yen.	

- 1) Imprisonment with hard labor: . . . . . detaining a person in a criminal facility and having them carry out the prescribed work (from 1 month to 20 years with hard labor or an undefined term).
- 2) Imprisonment without hard labor: . . . . . detaining a person in a criminal facility (from 1 month to 20 years or an undefined term).
- 3) Detention: . . . . . detaining a person in a criminal facility (from 1 day to 29 days).
- 4) Combined penalty: . . . . . two or more penalties, including both imprisonment with hard labor and a fine.
- 5) Offense subject to prosecution only upon complaint: . . . a crime that cannot be prosecuted without the victim pressing charges.
- 6) Fines and penal fines: . . . . . the amount of the fine is 10,000 yen or more (it can be reduced to less than 10,000 yen). Penal fines are between 1,000 yen and 9,999 yen.

**Disclaimer**  
This information may not reflect the latest law and ordinance revisions. Although we make every effort to provide as accurate information as possible, we do not guarantee the accuracy, reliability, or usefulness of the content provided. Please consult a legal expert regarding any cases that you actually encounter.

# Workplace Bullying Check Sheet

Workplace bullying (also referred to as “power harassment”) refers to behavior, against the backdrop of a power relationship in the workplace such as a superior rank or human relationship associated with one’s job, that goes beyond any business need and justifiable scope to impose mental or physical suffering on others in the same workplace or that worsens the workplace environment. Check if any of the following items apply to your work environment.

## ● Physical Attacks

- When scolding someone, there are people who use violence such as poking the other person with a pen or documents, grabbing them by the collar, or hitting them on the head.
- Things are thrown at and hit employees who make mistakes at work.

## ● Psychological Attacks

- Strong language or language that is critical of another’s personality (such as being incompetent, useless, or a salary thief, etc.) is sometimes used when educating staff.
- Some people are persistently blamed for mistakes in front of other employees.

## ● Isolating Someone

- Certain employees are ignored for reasons such as because they do not get along with others.
- Some employees are not given the information they need to do their jobs and are left out.

## ● Making Excessive Demands

- Some supervisors impose unachievable quotas and blame their staff for not achieving them.
- Some supervisors intentionally set unattainable goals because they think that their staff will do their best when pushed.

## ● Making Insufficient Demands

- Employees who make mistakes at work are forced to do low-level work that is different from what they are originally responsible for. Alternatively, they are not given work.

## ● Abuse of Power

- Requests are made leveraging the hierarchical relationship of the workplace, with nothing to do with one’s job.

Anyone could be a perpetrator of workplace bullying.

To not be a perpetrator, it is important to “speak and act by putting yourself in the other person’s shoes.” It is often the case that other people feel that they have suffered workplace bullying, unaware of your true intentions. Be considerate of each other on a daily basis and try to engage in close communication so that you can build a trusting relationship.

# Sexual Harassment Check Sheet

Sexual harassment is the act of causing discomfort or distress to someone else through sexual behavior in the workplace. The perspective of whether the recipient feels “discomfort” is important in determining whether or not the behavior is deemed to be sexual harassment.

Sexual harassment is not just from men onto women, it is also sexual behavior from women onto men and members of the same sex, and discrimination against sexual minorities (LGBT). There is no need whatsoever for sexual behavior in the workplace. Check to see if your behavior makes others feel uncomfortable.

## ● Quid Pro Quo Sexual Harassment

- Using your job status to urge others to have a romantic or sexual relationship (or invite them on a date, etc.) on the condition of giving a promotion or better staff performance evaluation.
- Threatening retaliation such as dismissal if the other person does not agree to coerce them into having a romantic or sexual relationship (or invite them on a date, etc.).

## ● Hostile Environment-Based Sexual Harassment

- Spreading sexual rumors about someone.
- Making obscene jokes in the name of making the workplace atmosphere more relaxed. Showing sexual images or videos.
- Asking questions about relationships with the opposite sex. Giving unsolicited advice.
- Talking about someone’s appearance and physical characteristics.
- When giving work-related guidance, talking up close to the other person and touching them without good reason.
- Groping someone at a social gathering in which alcoholic drinks are served. Forcing someone to perform duets at karaoke.

Other sexual behavior in addition to the above may make the recipient feel uncomfortable and make you the perpetrator of sexual harassment. Get rid of the false preconception that it does not apply to you and take this opportunity to review your usual behavior and way of thinking.

# Labor Management Check Sheet

The proper management of employees' working hours is fundamental to work. If you work in a way that follows the rules, you can expect benefits such as maintaining a work-life balance and being able to concentrate on your work.

Conversely, working in a way that does not follow the rules, such as prevalent overwork and the concentration of work on specific employees, will negatively affect the working environment and will affect the physical and mental health of employees. Check if any of the following items apply to your work environment.

- The workplace has an atmosphere that unpaid overtime work is unavoidable.
- Some people work from home without permission to hide the fact that they are doing overtime.
- Some people are forced to work overtime without pay by their supervisor.
- Attendance records are not properly recorded, such as getting back to work after clocking out on time.
- Some people work on holidays without permission.
- Sometimes you work overtime even though you have exceeded the maximum amount of overtime hours.
- The workload is concentrated on a specific employee.
- Overtime hours are carried over to the following month because the number of hours will go over the department's overtime targets.
- Applications for paid leave are rejected.
- Some people do not concentrate on their work during business hours because they want to earn overtime pay.

Poor labor management leads to overwork. Overwork causes only negative outcomes such as threatening the health of employees, a drop in concentration levels and frequent mistakes, and rumors of being a company with terrible working conditions and being unable to retain staff. If you see someone doing late-night overtime or working on holidays without permission, please report it to your supervisor or the Compliance Hotline. The same applies if your supervisor instructs or suggests unpaid overtime. Let's speak out without suffering alone.

Try to live with a work-life balance in mind by concentrating on your work during business hours and resting after work and on holidays.



# Information Management Check Sheet

Companies collect a lot of important information necessary for conducting their business activities, such as confidential information like trade secrets and the personal information of employees and customers. If such information is leaked, not only may the company be punished as a violation of the law, but it may also result in a drop in company trust and compensation for damages, which may cause great damage to the company.

Check if any of the following items apply to your work environment with regards to handling information:

- Documents containing important information are left on desks.
- Client lists and client data are taken out of company premises without permission.
- Documents containing important information are disposed of in the garbage as-is.
- Taking home my laptop to work from home without permission.
- Documents containing important information are not locked and stored away.
- Using simple passwords (such as easy-to-guess character strings and short strings of 3 or 4 digits) because one cannot remember them otherwise.
- Forwarding emails or files that contain important information to your personal email address.
- Not checking the recipient when sending an email or fax.
- Taking out data by saving it on an external storage device such as a personally owned USB memory stick or uploading it to online storage without permission.
- Opening emails from unfamiliar addresses.

Risks that could cause the leaking of information are all around us. There is endless news about stories of information leaks caused by losing information or damage as a result of unauthorized access. Keep in mind that information may be targeted by someone at any time, check internal rules, and handle the information appropriately.

# Compliance Training Record

No.	Date	Training Topic	Facilitator	Confirmation
1				<input type="checkbox"/>
2				<input type="checkbox"/>
3				<input type="checkbox"/>
4				<input type="checkbox"/>
5				<input type="checkbox"/>
6				<input type="checkbox"/>
7				<input type="checkbox"/>
8				<input type="checkbox"/>
9				<input type="checkbox"/>
10				<input type="checkbox"/>
11				<input type="checkbox"/>
12				<input type="checkbox"/>
13				<input type="checkbox"/>
14				<input type="checkbox"/>
15				<input type="checkbox"/>

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## My Compliance Declaration

Full Name \_\_\_\_\_

### **OUTSOURCING Group Compliance Guidebook**

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**TEL : +81-3-3286-4888**

**FAX : +81-3-3286-4999**

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