

KOA Mind (Code of Conduct and Action Guideline)

Lead Department: : General Affairs Center

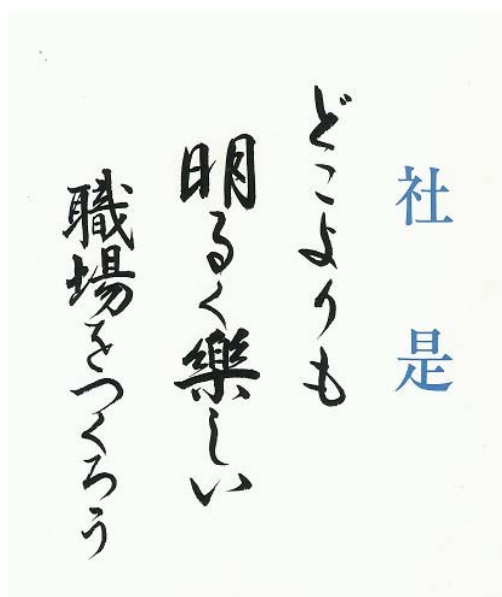
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Text:

I . Corporate Motto



Let's make our workplace more upbeat and pleasant than anywhere else!!

This corporate motto represents the ideal state that the company wants to reach. "Than anywhere else" applies to all workplaces, factories and departments of KOA Group companies, and means all of us must excel over all other companies around the world on whatever we do.

"More upbeat and pleasant" depicts the state all of us are doing our best to achieve one's objectives with absolute teamwork solidified by mutual trust, while savoring work satisfaction. As one's objectives are achieved, the company is benefited in the form of growth, which in turn gives steady lives to all of us – the individuals.

II . Management Policy



Trust

Trust means not only the trust that exists in the hierarchical relationship between the individuals belonging to the same organization and the bilateral relationship between the individuals belonging to different organizations of KOA Group companies, but also all types of trust such as the trust that exists

between the company and customer, which is nurtured through work and goods, and the trust that exists between the company and society, which is nurtured through improved business performance.

III. KOA Group's Mission

KOA is in constant pursuit of materializing the “right-winding” concept of “finite”, “harmony”, “circulation” and “enrichment” in its operations by daringly conducting experiments, as it seeks to become a company fitting to the right-winding era.



- KOA strives to build a bond of trust with each one of our stakeholders (customers, shareholders, employees and their families, community, and mother earth) who are supporting KOA.
- KOA employees are always appreciative of and thankful to the people supporting them, and are willing to serve them with compassion.
- In pursuit of garnering the satisfactions of the people supporting us, thus ultimately sharing the joy with them, we will do our absolute best, meaning even if the possibility is only 1%, we shall never give up and follow through on our resolve to achieve.

IV. KOA Group Code of Conduct

The “Code of Conduct” is a manifestation of the activities of each one of us for the achievement of KOA Group’s mission - “Establishment of the bond of trust with 5 stakeholders”.

Customers • Suppliers	<p>1. We shall listen to the voice of customers, engage in transparent and fair business transactions, and act by seeing things from customer’s standpoint.</p> <p>2. In pursuit of reassurance, satisfaction and expectations of customers, we shall commit to serving them with high-quality products and services.</p>
Shareholders	<p>1. Always in pursuit of enhancing the corporate value, we shall act responsibly.</p> <p>2. We shall always maintain the accuracy of corporate information, and disclose the information appropriately and timely.</p>
Employees • Families	<p>1. We shall respect the individuality and human rights of each other.</p> <p>2. The company will consider providing employees with opportunities to fulfill their responsibilities to care for their families.</p>
Community	<p>1. We shall adhere to legal and statutory requirements and act while maintaining high morale.</p> <p>2. We shall cherish the association with our community, and play a part in its prosperity.</p>
Mother Earth	<p>1. Recognizing that the life forms, substances and energy sources were created over mind-boggling years by the mother earth, we shall engage in circulatory activities of suppressing the discharge of wastes to a minimum.</p> <p>2. Recognizing that we are also a part of ecosystem, we shall engage in activities to coexist with the other members of the ecosystem.</p>

Appreciation • Compassion

V. KOA Group Action Guideline

1. General Rule

The “Action Guideline” lists the objectives of the code of conduct as the standard for specific activities. Our day-to-day activities shall comply with the Action Guideline.

1) Scope

This regulation is applicable to all people working at KOAG companies, regardless of if they are the employees of KOA G companies or not.

2) Adherence to statutory and social guidelines and corporate regulations

In addition to adhering to statutory and corporate regulations, we shall respect the social guidelines and engage in sensible activities.

- (1) We shall adhere to the statues of Japan and overseas.
- (2) We shall adhere to corporate regulations.
- (3) We shall sufficiently understand the corporate ethics to which the company is expected to abide by, and act responsibly with common sense as full-fledged members of society.

2. Relationships with customers, business partners and competitors

1) Voice of customers (VOC)

We shall maintain the posture of faithfully listening to the VOC, and utilize the VOC in our business operations.

2) Product quality

We shall manufacture and sell high-quality products that are optimum for our customers.

We shall aggressively promote our Quality Management System, and maintain high quality to not to let our customers down.

3) Product safety

We shall fully understand the laws and safety regulations related to product safety, and we shall not just adhere to them, but we shall also strive to achieve even higher safety standards.

4) Compliance to antitrust law

Under any circumstances, we shall never engage in activities in violation of antitrust law, such as cartel, bid-rigging, price-fixing, abuse of dominant bargaining position, etc. that we shall abide by fair and free competition ethics.

5) Fair transactions with suppliersIn the selection of suppliers, we shall give them fair business opportunities, and select the suppliers fairly, and offer them contract terms that are in full compliance with the laws governing subcontracting.

6) Trade secrets

Under any circumstances, we shall never illegally acquire and use the trade secrets of other companies.7)

Business entertainment and gift-giving

We shall not accept business entertainment and gifts that are judged to be more than moderate, and in dealing with civil-service employees or with those people of equivalent status, we shall abide by laws and legal restrictions of the countries where we do business.

8) Appropriate advertising

In our advertising activities, we shall never use libelous expressions against other companies or use the words and terms that can be considered discriminatory against others.

9) Accurate information disclosure

We shall supply customers with accurate high value-added product-related information.

10) Import/Export Control

In the import and export, we shall abide by relevant laws and regulations of the countries where we do business, related to import/export of weapons and pertinent technologies.

3. Relationships with shareholders and investors

1) Disclosure of corporate information

We shall disclose our financial and business information to our shareholders, investors, etc appropriately and timely.

2) Prohibition of insider trading and leaking of confidential information to third parties

We shall not engage in insider trading by taking advantage of the information obtained at work.

3. Relationship with employees

1) Respecting human rights and forbidding discrimination

We shall respect the fundamental human rights, and shall not engage in the acts of discrimination or bullying.

2) Sexual harassment

We shall not make sexually offensive remarks or act in a manner that may give discomfort.

3) Abusive use of power

We shall not take advantage of authority or position to bully others, in violation of human rights and human dignity.

4) Protection of privacy

We shall use the private information of people inside and outside of the company only for business purposes, and handle the information with care to prevent leakage.

5) Worker safety and health

We shall adhere to laws and regulations governing worker safety and health, and engage in thorough worker safety and health management activities to prevent work related accidents.

6) Compliance to labor-relations related laws

Supervisors shall abide by laws related to labor relations, and always pay attention to subordinates' health conditions, and never impose excessive work on them, and strive to maintain healthy working environment.

5. Relationships with company and company's assets

1) Appropriate accounting process

We shall abide by relevant laws and company regulations in making entries to accounting books and vouchers. We shall never make fallacious or fictitious entries, and we shall never create off-the-book assets or liabilities.

2) Prohibition of conflict of interest

We shall never engage in activities, which are intended to cause the conflict of interest with the company.

3) Management of trade secrets

We shall manage trade secrets appropriately, and shall not display or leak them without a permission of the company.

4) Appropriate use of company's assets

We shall efficiently use the assets of the company, and handle them appropriately to prevent damage, theft, etc. We shall not use the assets or funds of the company for personal pleasure.

5) Appropriate use of information system

We shall use company's Information System (e.g. PC, network, etc.) only for business purposes, and strictly manage the IDs and passwords to protect them from leakage.

6) Protection of intellectual properties

We shall appropriately use our intellectual property rights, which are the assets of the company, and dedicate ourselves to the protection of these rights.

Also, we shall use the intellectual property rights of other companies only after agreeing on appropriate contracts, to prevent ourselves from infringing on the intellectual property rights of other companies.

6. Relationship with community

1) Contribution to society

To strengthen the bond of trust with community, we shall regard communication valuable, and engage in social contribution activities suitable to the community we serve.

2) Relationships with government and public administration

We shall never get involved in bribery, patronage and other illegal political donation, and shall strive to maintain healthy and transparent relationships with political organizations and administrative agencies.

3) Severing ties with antisocial forces

We shall not support the activities of any antisocial forces and organizations.

4) Environmental conservation and protection

We shall constantly ponder over what we can do to live in harmony with mother earth, and shall accurately assess the impact of our R&D, production, sales activities as well as products and services on the environment. And we shall act in a manner conscious of natural environment by pursuing for operations in harmony with the environment, by effectively using the finite natural resources, by introducing products, production processes with less environmental burden, and by introducing global warming prevention measures, for the goal of realizing the creation of a model for cyclical society.

VI. Basic Information Security Policy

KOA Corporation and its affiliates shall take information security as the most critical subject of management and business operation, and every officer and employee shall act with consciousness of individual responsibility and act as an interested party.

Based on the above precondition, the present policy sets the aim to enhance the relationship of trust with customers, business partners, shareholders, employees and their families, community, and earth, so as to pursue activities for securing confidentiality, integrity and availability of information assets.

1. Statutory compliance

We shall comply with applicable statutes, policies and internal regulations.

2. Continual Improvement

We shall continually improve and enhance information security in accordance with environmental changes.

3. Protection of Information Assets

We shall specify procedures related to information security based on the degree of importance and risk levels to ensure security and appropriate control.

4. Education and Training

We shall conduct continual education and offer training programs for all personnel involved in information assets, in order to raise the awareness of such assets and to enforce the adherence to established information security regulations.

5. Prevention of and Response to Security Accident

We shall work for the prevention of information security accident, and take appropriate measures including introduction of recurrence prevention program as quickly as possible should an accident arise.