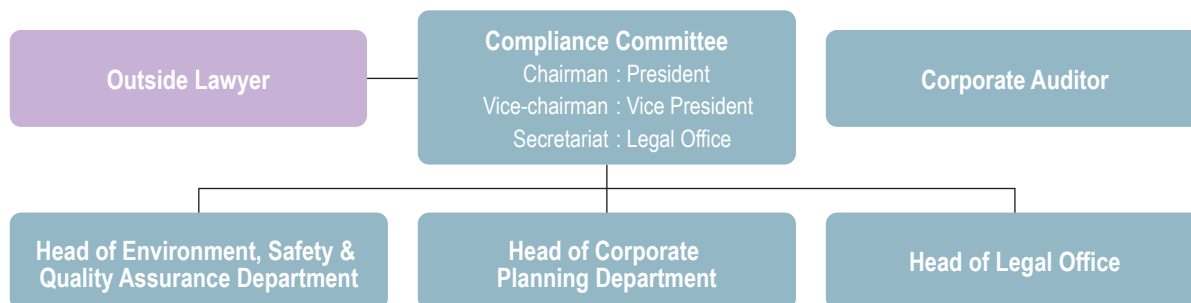


Compliance

We place emphasis on compliance in our management, reflecting our belief that compliance with laws and regulations and social norms is essential for the survival and development of any company. To this end, we actively promote compliance throughout the entire group, and have set up a Compliance Committee as the organization for maintaining and improving compliance. It is chaired by the president and consists of members that include external specialists.

Compliance Promotion Framework



The Compliance Committee creates manuals, revises guidelines, and train employees. It also receives reports from each division / department chief, plant / laboratory chief, related committees, and presidents of subsidiaries. In addition, it periodically audits the state of compliance and provides recommendations for improvements when necessary.

The committee also specifies matters to be observed by Group's employees, and encourages them to carry out daily activities more faithfully than ever so that we are highly esteemed by society as a good corporate citizen.

<p>As a Corporate Citizen</p> <ul style="list-style-type: none"> Compliance with business laws Restrictions on acts of endowment and political donations Breaking off relations with antisocial forces Compliance with the Antimonopoly Act Ensuring fair transactions with suppliers and compliance with the Subcontract Act Prevention of unfair competition Compliance with laws and regulations related to security export control Compliance with laws and regulations related to import and export Prohibition of excessive entertainment and gift-giving Prohibition of bribery of foreign public officials Ensuring appropriate advertisement 	<p>As a Public Company</p> <ul style="list-style-type: none"> Disclosure of management information Appropriate accounting <p>As a Manufacturer</p> <ul style="list-style-type: none"> Ensuring product safety Conserving environment <p>As Stakeholders of the Company</p> <ul style="list-style-type: none"> Prohibition of conflict of interest Appropriate use of the company's assets Prohibition of insider trading 	<p>As Members of the Workplace</p> <ul style="list-style-type: none"> Compliance with the rules of employment Respect for human rights and the prohibition of discrimination Prohibition of sexual harassment Protection of privacy Ensuring workplace health and safety Prohibition of political and religious activities <p>As Handlers of Business Information</p> <ul style="list-style-type: none"> Appropriate management of trade secrets Appropriate use of information systems Appropriate management of personal information Protection of intellectual properties
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Consultation Hotline

We have a system that permits direct whistleblowing to the Compliance Committee.

When an employee discovers a compliance violation or potential compliance violation, they shall address the problem in normal operations, in principle, through measures that include reporting the matter to their superior. However, if

they think it is difficult to address the problem promptly and effectively, they can use the hotline to prevent compliance violations or resolve the problem early on. Whistleblowers can remain anonymous and if they state their name, we make sure that they are not disadvantaged by the use of the hotline.

Consultation Hotline Reports (Number)	FY2011	FY2012	FY2013	FY2014	FY2015
	0	0	2	1	1