

Compliance Code of Conduct

Torishima Group (hereinafter referred to as “Torishima”) establishes this Code of Conduct (hereinafter referred as “Code”) as stipulated below, aiming at promoting compliance within Torishima. Torishima directors, executives and employees (hereinafter referred to as “We”) will comply with this Code for the sake of ourselves and our stakeholders in the society.

1. Fundamentals of Compliance

(1) Compliance with laws and corporate ethics relating the business

In our business activities, we adhere to the spirit of the Constitution and comply with business-related laws and regulations including but not limited to the Civil Code, Companies Act, Commercial Code, and Penal Code as well as corporate ethics.

(2) Providing products and services that realize a peaceful global environment

Through our environmentally friendly business, we are committed to creating a global environment with beautiful nature and peace of mind and contribute to the realization of a sustainable society.

2. Business activities that are environmentally friendly

We comply with environment-related laws and regulations in their business activities and act with full awareness of those laws and regulations. At each stage of sales, design, procurement, production, logistics, and service, we consider the impact on the environment in order to reduce the environmental load and to prevent pollution. We set and review appropriate environmental objectives and targets in tackling the problem of the environmental impact caused by our business activities and products, and make every effort to improve them continuously in order to contribute to the formation of a living environment with a standard level of culture.

3. Business activities

(1) Research and development

In research and development, we strive to develop technologies that enrich our living environment, preserve and improve the natural environment. We will not infringe intellectual property rights such as patent rights and design rights of others. We abide by relevant laws and ethics.

(2) Manufacturing

We comply with relevant laws and ethics in manufacturing. We continue to improve our

product quality and strive to provide better products.

(3) Sales

We treat customers with respect and sincerely from their standpoints when selling. We properly provide customers with accurate and sufficient information about our products and services, grasp customer's request accurately and fully, meet customer's request through our products and services, and make best efforts to gain customers satisfaction.

(4) Engineering

We comply with relevant laws and regulations and endeavor to make it safe and environment friendly. We also grasp customers' requests accurately and fully and make best efforts to obtain customer's satisfaction.

(5) Production / site management

In production / site management, we give top priority to safety and prevent accidents at work in accordance with the Industrial Safety and Health Act and instructions from regulatory agencies.

We outsource licensed contractors for industrial waste in order to dispose of it in an appropriate manner. We also increase recycling rates and tackle to reduce waste at our factories. At construction sites such as plants we conduct site management without harming the surrounding environment as much as possible.

(6) Purchasing products and procuring materials

We comply with relevant laws and ethics when procuring raw materials, parts, and services required for product purchasing, manufacturing, and other business activities. When we are to select the supplier from multiple business partners, we fairly compare and evaluate various conditions (product quality, warranty, safety, environment, delivery date, price, etc.) and then select the most suitable business partner.

(7) Regarding logistics / import & export

We comply with relevant laws and ethics when we carry out logistics and import & export. We also optimize the distribution system for dealing with product parts etc., and implement environmental countermeasures while optimizing cost management.

4. Fair, transparent and free competition

We carry out business activities based on our recognition that ensuring fair, transparent and free competition is the basic rule of the market economy. In our business activities, we observe relevant laws and regulations such as the Act on Prohibition of Private Monopolization and Maintenance of Fair Trade and self-industrial regulations including the Fair Competition Code and compete fairly and freely in the market. Specifically we strictly observe the following matters.

(1) We will not perform any acts that affect the product selling price such as collusion, cartel, etc. Neither will we participate in any group, meeting, etc. that may engage in such acts.

(2) Against other parties with whom we provide technology or conduct joint research and development Torishima will not unreasonably limit their business activities exceeding the scope of reasonable purpose such as legitimate exercise of intellectual

property right or protection of confidential information of Torishima.

5. Stakeholders

(1) Sincerity to customers

We treat customers with respect in the spirit of sincerity and fairness in our business activities. We will endeavor to provide products and services that meet the appropriate needs of our customers.

(2) Shareholder-oriented model of management

We promote management that fulfills the legal functions and responsibilities of the General Meetings of Shareholders, the Board of Directors, and Audit and Supervisory Committee Members. We highly value investor relations (IR: Public Relations to Investors) with our shareholders and other investors, and make efforts to ensure that they understand our management and business activities by disclosing information in an appropriate and timely manner.

(3) Disciplined relationships with business partners

We consider it to be important to properly communicate with business partners in our business activities and endeavor to commit ourselves to the development of the society.

(4) Providing employees with opportunities for personal development

We recognize that "people" are the basis of corporate activities and endeavor to provide opportunities for employees to demonstrate their abilities and self-realization through our business activities.

(5) Commitment to local communities

We consider it to be important to properly communicate with local residents and local communities in our business activities and endeavor to commit ourselves to the development of society through our appropriate contact with local communities.

(6) Fair Disclosure

We endeavor to gain trust by disclosing information in an appropriate and timely manner regarding management policies, business activities, products, etc.

6. Commitment to social development

(1) Promotion of social contribution activities & support for volunteer activities by employees

We actively participate in promoting social development activities such as supporting volunteer activities performed by our employees.

(2) Support for academic and cultural promotion

We will endeavor to support the promotion of academics and culture that are suitable

for the Mission of Torishima.

7. Rejection of relationships with anti-social forces, etc.

(1) Prohibition of providing profits to shareholders

We comply with the regulations prohibiting the provision of profits to shareholders stipulated by the Companies Act.

(2) Rejection of anti-social forces

We must firmly resist any anti-social forces and groups that threaten the order and safety of civil society.

8. Efforts to eradicate workplace accidents

We actively work to avoid workplace accidents aiming to eradicate them and continue to work together to create a safe and comfortable on-site environment.

9. Employment and working environment

(1) Compliance with labor-related laws and regulations, prohibition of unfair discrimination and harassment

We, as a member of working people, comply with labor-related laws and regulations such as the Labor Standards Act. We will not conduct any unfair and discriminatory actions and treatment or harassment based on nationality, race, ethnicity, creed, religion, gender, age, disability, illness, and social status. We duly care of measures to prevent the aforementioned activities.

(2) Implementation of fair evaluation

We fairly evaluate the results of the employees' work based on the company assessment regulations. In addition, we make efforts to create a comfortable working environment where employees can devote all their energy to their work by harmonizing their professional and private lives.

(3) Efforts for safety and health

We comply with safety and health-related laws and internal rules. Making it a basic policy to prevent illness and to promote and maintain health, we make efforts to maintain safety and health for ourselves as well as those for others around us while keeping and improving the working environment better.

(4) Prohibition of various workplace harassment

We will not conduct or engage in any sexual harassment, power harassment or other harassment. We do not conduct or engage in any action that provides advantage / disadvantage on working conditions depending on employees' response against sexual remarks or actions at workplace ("Compensation-Type Sexual harassment"), or harm other employees' working environments by making sexual remarks and actions ("Environmental Sexual Harassment") Neither do we conduct nor engage in power

harassment acts such as; (I) physical attacks such as assault / injury, (II) mental attacks such as intimidation / defamation / insult / terrible abuse (III) separation of human relationships, (IV) excessive work demand, (V) insufficient work demand, (VI) violation of privacy.

We do not either conduct or engage in alcohol harassment (in which drinkers force alcohol consumption on non-drinkers), pregnancy discrimination or any other type of harassment. We take necessary measures against these kinds of harassment in employment so as to prevent and eliminate them.

(5) Importance on in-house education

We work on employee development from a long-term perspective. We will enhance our expertise and creativity of ourselves and our subordinates and make efforts to foster a spirit of challenge and good sense as a member of society.

(6) Confidentiality of personal information

We handle our personal information as confidential based on the relevant company regulations and not disclose it to anyone outside the company without consent from the person. In addition, we will not disclose it to anyone within the company other than those whose duties require such information.

(7) Support for persons with physical and intellectual disabilities

We make efforts to hire and give necessary aids to help persons with physical and intellectual disabilities to work in the company.

(8) Prohibition of illegal drug use

We do not use illegal drugs.

(9) Respect for civil rights, restrictions on political activities in the workplace

We respect civil rights to be exercised by the employees and officers. We will not engage in political activities while on duty in the workplace.

10. Conflicts with personal interests

(1) Prohibition of favoritism on business partners and customers

We will not treat customers (including business partners) or potential customers in an advantageous manner just because they have a certain relationship with ourselves or other directors / officers / employees or his / her relatives. In cases where we find ourselves connected to a special relationship, we must consult with our supervisor in advance and take action that is deemed best to the company's benefit.

(2) Prohibition of favoritism on treating ourselves

We handle HR affairs in a clear and fair manner and do not treat recruitment, evaluation, transfer, promotion, and education in favor of ourselves or someone particularly because there is a special relationship with ourselves or other directors/ officers / employees or his / her relatives.

(3) Prohibition of illegal / unjust reception and receipt of money / valuables from business partners and customers

We will make relationships with customers and business partners fair and transparent, and will not abuse our professional position and authority to receive, demand, or promise benefits (money, goods, entertainment, facilitation payment etc.) legally or unreasonably.

(4) Relationship with other competitive companies

We will not be involved in any business of other competitive companies in the line of business of Torishima. We must make relationships with officers and employees of other competitive companies fair and transparent, and with regard to the receipt of the profit the foregoing provision 10. (3) shall apply mutatis mutandis.

(5) Restrictions against directors on making transactions that is competitive, self-transactions, or conflict of interest with Torishima

The Directors comply with the provisions stipulated in the Companies Act regarding restrictions on competitive transactions, self-dealing transactions, and conflicting interest transactions.

11. Nonpublic information control

(1) Compliance with insider trading regulations and treasury stock trading regulations

We comply with insider trading regulations stipulated in the Financial Instruments and Exchange Act. Namely, in cases where we learn material facts about the business of our company, subsidiaries and business partners regarding their duties, etc. we do not trade the securities by ourselves or as a company until it becomes publicly known after a certain procedure is made. The Directors and Officers comply with the regulations on treasury stock trading stipulated by the Financial Instruments and Exchange Act.

(2) Control of confidential information

We do not disclose to outsiders confidential information including material facts not being publicized that are subject to insider trading regulations, business and technical information of Torishima. Neither do we disclose it to anyone other than those who are authorized to obtain such information in order to duly perform his / her business for the company.

(3) Protection of personal information of customers, etc., precautions when acquiring confidential information of third parties

We do not disclose any privacy information of customers, etc. to outsiders without their consent. We do not disclose it to anyone other than those who are authorized to obtain such information in order to duly perform his / her business for the company.

Neither do we receive any confidential information from a third party unless we can confirm that such a party is a legitimate holder of the information and that it is not an illegal action of information acquisition / disclosure when we are offered any information that is considered to be proprietary of a person other than the disclosing party.

(4) Proper use of information processing equipment and network systems

We promote appropriate and effective use of our company's computers and other in-house information processing systems and do not use it for illegal or unjust purposes.

(5) Control of electronic information

We properly control digitized information and prevent leaking, theft, destruction and virus infection and other damages of confidential information. In case damages should be likely to occur, we make decisions in accordance with internal procedures and report to the supervising department.

12. Document control including contract documents

(1) Appropriate review and negotiation of contracts

We appropriately review and negotiate contracts based on the relevant laws / regulations from the viewpoint of fairness and reasonableness when we conclude them or make some kind of agreements with customers, business partners, and other parties.

(2) Appropriate execution of contracts with signature and seal

We execute contracts in accordance with the "Company Seal / Signature Handling Regulations", which are to be properly stored, signed, registered and sealed by our authorized representatives. In requesting the company for seal affix, we do not intend to sign / seal without making proper procedures nor do we forgery sign / seal.

(3) Document creation, handling, storage and disposal

We comply with the "Document Processing Regulations" and "Document Preservation Regulations" and properly create, handle, store or dispose documents (including those recorded on electronic media).

13. Accounting and company assets

(1) Appropriate booking / accounting records and compliance with accounting-related laws and regulations

We accurately record books and accounting records in accordance with rules and accounting practices that are generally accepted as fair and appropriate in corporate accounting. We comply with the Companies Act, Financial Instruments and Exchange Act, Foreign Exchange Act, Corporate Accounting Principles and other accounting-related laws and regulations.

(2) Ban on unauthorized use of company funds and goods

We use the company's funds, goods and other property only for the performance of assigned duties and do not pocket or use for ourselves or for a third party. We do not make unreasonable expense charges to others nor suit the convenience of ourselves or third parties by abusing professional authority. For the use of company property, we observe the internal procedure as is provided.

(3) Compliance with taxation law

We are always aware of and comply with taxation laws in our business activities.

14. Intellectual property

We recognize that any work products (inventions, utility models, designs, copyrighted works, trademarks, know-how, including technical information, etc.) generated by research, development and other work are valuable assets ("Intellectual Property") and comply with followings.

- (a) We record and manage any work products appropriately, and do not disclose or leak illegally to any unauthorized person without making prescribed procedures. Neither do we use such products for our private purposes nor for the benefit of a third party regardless of whether we are during our tenure of office or left the company.
- (b) In cases where we obtain any work products that are within our business scope, we promptly handle them in an appropriate manner through notifying those products to our company without delay. For those works that belong to our company, we endeavor to make an appropriate and prompt application & registration for acquiring relevant rights.
- (c) We do not infringe any intellectual property rights of others. We do not obtain any work products and confidential information owned by others in an illegal way, nor do we illegally use them for our research, development and other work without the consent of a legitimate holder even when they are obtained legally.

15. Compliance with Company regulations and outside voluntary restraints

(1) Compliance with articles of incorporation, company regulations & rules

We comprehend and comply with not only this Code of Conduct, but also the Company's Articles of Association and its relevant regulations, rules, and guidelines as well as manuals that are set out through the appropriate procedures.

(2) Compliance with voluntary restraints and standards

We understand voluntary restraints and standards established by our industrial organizations.

(3) Interpretation of applying company regulations and voluntary restrains

In case that any doubts and questions should arise in connection with the company regulations referred to in the foregoing provision 15. (1) (excluding the Articles of Incorporation) or voluntary restraints and standards referred to in the foregoing provision (2), this Code shall prevail in principle, and any decision on how to interpret and apply to a specific case must be made in accordance with this Code .

16. Executing this Code of Conduct

(1) Thorough understanding of all

We thoroughly familiarize with this "Torishima Group Compliance Code of Conduct" and establish internal systems to make it effective.

(2) Taking the lead to show a good example

The top management endeavors to take the initiative in showing a good example of acting in accordance with the spirit of this Code, and in cases where something goes against the stipulated policies of this Code, the top management themselves must take the initiative to solve the problem, investigate the cause and take preventive measures. In addition, the top management discloses relevant information to the public promptly and accurately while taking strict disciplinary measures upon themselves and those involved with a clear responsibility and authority.

17. Effective date and revision history

Implemented on and became effective from April 1, 2003.

Partially revised on September 1, 2007.

Partially revised (deletion of inquiries, etc.) on December 1, 2021.

〈Relevant Laws and Regulations〉

- The Constitution of Japan
- Civil Code
- Penal Code
- Companies Act
- Commercial Code
- Bill and Check Code
- Code of Civil Procedure
- Code of Penal Procedure
- Act on Prohibition of Private Monopolization and Maintenance of Fair Trade
- Financial Instruments and Exchange Act
- Product Liability Act
- Fire Service Act
- Construction Business Act
- Road Traffic Act
- Environment-related laws and regulations
- Building Standards Act, Construction Business Act
- Industrial Safety and Health Act
- Waste Disposal Act
- Act against Delay in Payment of Subcontracting Fees, etc.
- Act on Prevention of Unjust Demand by gang (“Boryokudan” in Japanese) members
- Labor Standards Act, Labor Union Act, Labor Relations Adjustment Act
- Act on Ensuring Proper Operation of Worker Dispatching Business, Act on the Protection of Dispatched Workers
- Act on Ensuring Equal Opportunities and Treatment for Men and Women in the Field of Employment
- Immigration Control and Refugee Recognition Act
- Working Hours Setting Improvement Act
- Workers' Accident Compensation Insurance Act
- Health Insurance Act
- Act on Childcare Leave, Caregiver Leave, and Other Measures for the Welfare of Workers Caring for Children or Other Family Members
- Act on Comprehensive Promotion of Labor Measures, Stabilization of Employment of Workers and Enhancement of Work Life
- Vocational Ability Development Promotion Act, Act on Stabilization of Employment of Elderly People
- Act on Protection of Personal Information
- Basic Act for Persons with Disabilities, Act on Promotion of Employment of Persons with Disabilities
- Narcotics and Psychotropic drugs Control Act, Cannabis Control Act, Stimulant Drug Control Regulations
- Public Offices Election Act
- Unfair Competition Prevention Act
- Foreign Exchange and Foreign Trade Act
- Corporate Accounting Principles, Financial Statements Rules, consolidated financial statement rules, financial statement rules
- National Tax General Act, National Tax Collection Act, Income Tax Act, Corporate Tax Act, Local Tax Act, Consumption Tax Act, Special Taxation Measures Act, Securities Transaction Tax Act, Stamp Tax Law, Customs Act, Registration and License Tax Act

➤ Patent Act, Utility Model Act, Design Act, Trademark Act, Copyright Act

〈Relevant Company Regulations〉

- ❖ Insider Trading Control Regulations
- ❖ Employment Regulation