



Compliance

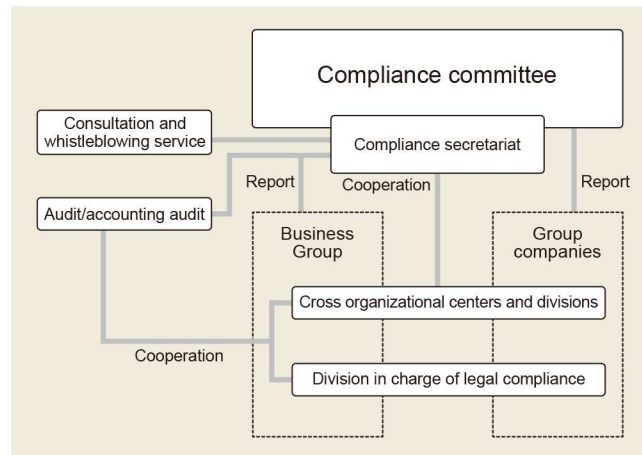
In line with our basic philosophy, we declare: “By honoring the spirit of the law and ethics, the company aims to be a corporate citizen that coexists with nature and the local community.” We conduct our compliance activities aiming not only to ensure compliance with the laws and regulations, but also to meet social expectations.

Promotion system and structure

We have established a compliance committee chaired by the President, in order to deliberate on important measures regarding compliance. Furthermore, in order to support daily activities, we are working to ensure that activities suitable for the workplace can be conducted continuously through not only the compliance management division, but also by appointing a compliance general manager/compliance manager in each department.

	Prevention	Discovering and taking measures
General Manager, Business Group	Culture/climate and policy	Investigation/recurrence prevention measures development
General Manager, Division	Communication, education and policy	Monitoring, investigation/recurrence prevention measures development
Cross organizational centers and divisions, division in charge of legal compliance	Policy support and education in each department	Monitoring support, investigation/recurrence prevention measures development

Organization and system diagram



Specific activities

Compliance Highlight Month activities

In the “Compliance Highlight Month activities” implemented in October every year, we aim to maintain and raise awareness regarding compliance. Besides opportunities to debate compliance matters in workplaces, things like messages when starting up PCs, company newsletters, officers’ lectures, DVD screenings and so on are also included in the activities.

Education and awareness

We believe that in order to be a business organization which will live up to the expectations of society and earn its trust, it is essential for each of our employees to act with awareness and dignity, and therefore we carry out training categorized by rank and theme (Antitrust Law, Product Liability Law, etc.). We also periodically present actual compliance examples that can arise on a daily basis through the company newsletter and news, in order to promote awareness.

Commitment to group compliance

With the compliance management division and divisions in charge of legal compliance as our core, our domestic and overseas subsidiaries have been jointly organizing systems and carrying out awareness activities in accordance with the status and circumstances of each company.

Employee code of conduct

We are using the employee code of conduct that stipulates respect for individuals and compliance with social rules to raise awareness of compliance among employees.

Consultation reporting

In order to detect and solve internal problems at an early stage, we have established a consultation and whistleblowing service inside and outside the company. Inside the company, a consultation and whistleblowing service has been established at the Head Office, in each plant and at labor unions, in order to collect knowledge of problems from a broad range at an early stage as far as possible. We have also named the service “Nandemo Soudan Madoguchi” (“Consult us on Anything Service”), so as to make the service more easily accessible. Furthermore, we have established a whistleblowing service in an external law firm as a “compliance call” service so that employees who feel apprehensive about using the internal consultation will feel more at ease. Confidentiality will be strictly maintained in order to assure that the consulter will not be specified.

As shown in the following graph, there are a certain number of consultations every year, and the service is bringing early resolutions to problems.

Number of consultations and reports

