

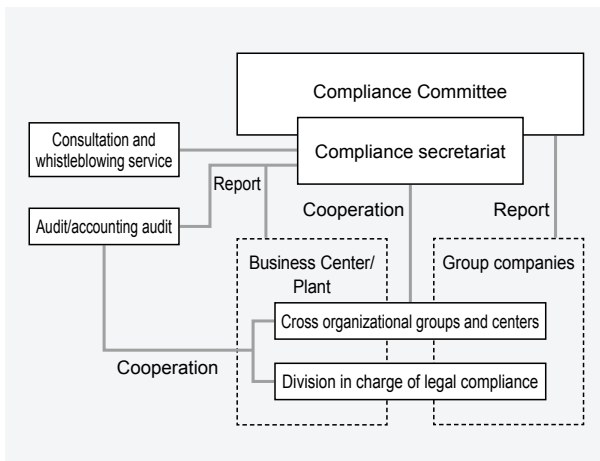
# Compliance

## 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 of Business Center/Plant	Culture/ climate and policy	Investigation/ recurrence prevention measures development
General Manager, Division	Communication, education and policy	Monitoring, investigation/ recurrence prevention measures development
Cross organizational groups and centers, 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.

### Group compliance

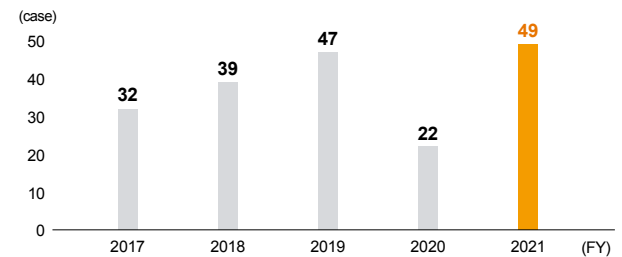
With the compliance management division and divisions in charge of legal compliance as our core, our domestic and overseas subsidiaries have been jointly organizing systems

and carrying out awareness activities in accordance with the status and circumstances of each company.

### 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 consuler 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



### Initiatives to prevent bribery and corruption

We have established the “Anti-Bribery Compliance Manual” as a guideline for promoting business activities based on fair competition. We clearly prohibit bribery in the “Employee Code of Conduct,” Tokai Rika-ism, and “CSR guidelines,” and are disseminating these internally.

We have also established a mechanism to prevent bribery throughout our Group. Specifically, we raise awareness through pre-assignment training, receive regular reports from each business entity, and respond to any problems that arise. Furthermore, we support each business entity in establishing guidelines, systems, and procedures related to bribery prevention.

### Prevention of anti-competitive behavior

We have established the “Antimonopoly Act Compliance Manual” and are working to prevent anti-competitive behavior. We clearly prohibit anti-competitive behavior in the “Employee Code of Conduct” and Tokai Rika-ism, and are disseminating these internally. In addition, we conduct ongoing awareness-raising activities by conducting training specializing in competition law every January.

Furthermore, as part of our group-wide effort to prevent competition law violations, we have established a system to receive reports from each business entity on a regular basis and respond to any problems that arise.