

To all Yokorei employees:

- With the increasing globalization of business activities, ensuring fair competition in international transactions has become an important issue. Recent prosecutions have resulted in huge fines for companies and individuals who have engaged in bribery and corruption, and in some cases, the individuals involved have been severely punished, including imprisonment.
- Yokorei does not seek any benefits that can only be obtained through bribery or other improper means.
- We believe that compliance, including the prohibition of all forms of corruption, such as bribing public officials, giving and receiving gifts, excessive entertainment, embezzlement, and breach of trust, is the cornerstone of society's trust in our Group and essential for our sustainable development.
- We ask all employees to follow these guidelines and ensure that bribery and corrupt practices are prohibited in order to ensure fair and free competition in accordance with the rules.

Hiroyuki Matsubara
President and Representative Director

1. Prohibition of Bribery

- For the purpose of obtaining or maintaining business or business advantage (1), whether inside Japan or abroad,
(1) With the intent to influence a public official, etc. (2) in the performance of his/her duties
(2) With the intent to cause a third party to perform duties improperly, as compensation for the third party's improper performance of duties, or while recognizing that the receipt of money, etc. by the third party itself constitutes improper performance of duties,
be careful not to provide, promise, or request, directly or indirectly, money or any other benefits or advantages (3) to public officials, etc. or third parties, or to approve any such acts.
- Yokorei may be held liable for bribery certainly in the case of bribery taking place through third parties, such as of our agents and consultants, sales partners and suppliers, subsidiaries and affiliates, etc., and also in cases where we were aware that these third parties were engaged in bribery or if we neglected to respond despite suspicious signs suggesting bribery.
- Legal liability for bribery may result even if no favors were actually obtained, if the other party did not receive any money or other benefits, or if the bribe had no effect on the other party's job performance.

2. Prohibition of Graft

- Please be careful not to demand, promise to receive, or accept any money or other benefits in connection with any improper job performance for a third party in the course of conducting business related to our Group, whether inside or outside of Japan.
- It goes without saying that a person must not perform or cause others to perform any job improperly (4) on behalf of a third party, and a person may be held legally liable for graft if, for example, he/she receives money or other benefits in connection with such acts.
- Graft through a third party, such as a family member, friend, or close relative, may subject you to the same legal liability as if you had taken the graft yourself.
- Even if no money or other benefits were actually obtained, or even if the other party did not receive any benefits, individuals may be held liable for graft.

3. Facilitation Payments

- In some countries and regions, public officials and others may request small payments ("facilitation payments"), which have no basis in the relevant laws and regulations, in connection with customs clearance, checkpoints, applications for issuance or extension of entry permission or visas, installation of water, sewerage, or telephone lines, etc. Such facilitation payments are also prohibited as bribery of public officials, etc.
- Yokorei may be held legally liable, and our employees may also be held legally liable, for example, if facilitation payments are made for the purpose of obtaining business benefits.
- It goes without saying that in the event that a payment of money or something else is necessary to avoid harm to life,

limb, or liberty (assault, threats, arrest, confinement, etc.), please ask Yokorei officers and Headquarters to place the highest priority on personal safety.

4. Cooperating with Anti-Corruption Awareness Efforts

- Employees are requested to promptly report and consult with Headquarters if they have any questions or concerns about bribery or corruption, if they are unsure of their actions, or if they have been involved in or are about to be involved in such activities.
- All Yokorei affiliated companies are requested to communicate the details of anti-corruption laws and regulations and the meaning of these guidelines through training and other means. We also request that clients and suppliers to whom we request outsourcing of business operations, etc. be made aware of the purpose of these guidelines, as necessary.
- If requested by Headquarters, we ask that you provide information and materials that will enable us to verify your compliance with these guidelines.
- In the unlikely event that you are involved in any bribery or corrupt activity, or any activity that may lead to the suspicion of bribery or corruption, we ask for your full cooperation in any investigation, whether it is an investigation by Headquarters or by the relevant authorities.

Terminology

1 What does “obtaining or maintaining business or business advantage” refer to?

- Expediting or accelerating procedures
- Exempting or reducing taxes
- Standardizing specifications, etc.
- Obtaining permission/approval
- Obtaining commercial transactions
- Receiving a high evaluation or reputation
- Receiving confidential information
- Overlooking violations
- Not speaking about fraud or misconduct
- Avoiding or reducing punishment

2 What does “public officials, etc.” refer to?

- Employees of the government, ministries, local public entities, etc. (legislators, military, police, firefighters, customs officials, etc.)
 - Officers and employees of government-affiliated companies and government-affiliated corporations (electricity, gas, railroad and other public utilities, national universities, national hospitals, etc.)
 - Officers and employees of public international organizations (United Nations, World Trade Organization, etc.)
 - Officers and employees of political parties
 - Candidates for public office
 - People performing official duties on behalf of the above (government-designated inspection agencies, designated testing organizations, etc.)
- In addition, people affiliated with the International Red Cross, the International Olympic Committee, or their related organizations may also be considered public officials in some countries or regions.

3 What does “money, etc.” refer to?

- Money, cash gift cards, gift cards, unlisted stock, financing, collateral, warranties
- Gifts, entertainment, invitations (to sporting events, performances, travel, etc.)
- Donations, contributions, sponsorships
- Honoraria, rebates, sales promotion expenses, discounts
- Opportunities for employment, education, medical treatment, etc.
- Physical affection from the opposite sex, etc.

4 What does “improper performance of duties for a third party” refer to?

- Granting access to commercial transactions
- Granting a high evaluation or reputation
- Providing confidential information
- Voluntarily not speaking about fraud or misconduct

Prohibition of Provision of Illicit Profit, etc. to Foreign Public Officers, etc. (Unfair Competition Prevention Act, Article 18)

No person shall provide, offer, or promise to provide money or other benefits to a foreign public official, etc. for the purpose of inducing or discouraging the foreign public official, etc. to perform acts related to his/her duties or to use his/her position to induce or discourage other foreign public officials, etc. to perform acts related to their duties in order to obtain undue business advantage in connection with international commercial transactions.

Definition of "foreign public official, etc." (Article 18.2 of the same Act):

- A person engaged in the public service of a foreign government or local public entity
- A person engaged in clerical work in a government agency of a foreign country
- A person engaged in clerical work at a public corporation in a foreign country, or a person equivalent thereto
- A person engaged in public affairs in a public international organization
- A person authorized to engage in the official business of a foreign government or international organization

=> In addition to foreign public officials and legislators, people performing official duties (including inspection agency employees)

Punishable by means other than violation of the Unfair Competition Prevention Act

- Punished under the laws of countries other than Japan (e.g., U.S.: FCPA, U.K.: UKBA, China: Foreign Bribery Clause)

- Suspension of business transactions and disqualification from bidding

=> Liability cannot be avoided through the use of a local agent