



TOYO SEIKAN GROUP

CODE of CONDUCT
and
GUIDELINES of BEHAVIOR



Concept of Cover Design

Smiling pictures of people working with the Toyo Seikan Group form the shape of our Mebius mark. This implies that every smile will continue into the future along with our behavior that complies with the common standards across the group, the Code of Conduct and Guidelines of Behavior.

Contents:

I	Message to the Members of the Toyo Seikan Group	1
II	Management Philosophy	3
III	Corporate Philosophy Structure	4
IV	Toyo Seikan Group Code of Conduct	5
V	Toyo Seikan Group Guidelines of Behavior	7
	• Preconditions of the Guidelines of Behavior	
	• Scope of application	
	• Items in the Guidelines	
	• Countermeasures against violations of the Guidelines	

I Message to the Members of the Toyo Seikan Group

Ichio Otsuka

President and Representative Director
Toyo Seikan Group Holdings, Ltd.



Create new value, act fairly and responsibly

The Toyo Seikan Group (the “Group”) has formulated the Toyo Seikan Group Code of Conduct and Guidelines of Behavior, which provide common standards of behavior for all domestic and overseas members working in the Group. The Code of Conduct presents a framework that the Group, as a corporation, must comply with and carry out in practice to implement its Management Philosophy, while the Guidelines of Behavior provide specific rules of how each of us should act within the framework. The Group marked its 100th anniversary in June 2017. During its long history of 100 years, the Group has grown into a corporate group consisting of approximately 100 companies in 17 countries across the world, including Japan. The Code of Conduct and Guidelines of Behavior, as well as the Management Philosophy, are our common standards that will guide us towards further growth and development in the years ahead.

Recently, there has been a major movement towards the achievement of the 2030 UN Sustainable Development Goals (SDGs) throughout the world in an effort to create a sustainable society. The SDGs were adopted by the 193 member countries of the United Nations at its General Assembly in September 2015 with the aim to create a sustainable society across both developing and developed nations by setting goals in 17 different areas to achieve by 2030. In this sense, the SDGs serve as an “international common language.” We view the SDGs as new opportunities for our business, hoping to create innovation and provide solutions to various problems worldwide.

Meanwhile, what we are never allowed to ignore at any time is compliance with rules. Our Creed refers to this concept in the beginning, “We will honor dignity and always strive to be fair and unbiased in every way.” Compliance forms the foundation based on which we create high quality products and services and provide them to society. To create such products and services, we should attach great importance to ensuring free and fair competition. In any country, we must never perform any acts that violate laws to ban anti-competitive behavior, including cartel formation and bid-rigging, or any acts against laws to prohibit bribery, such as offering bribes to Japanese or overseas government officials. We should never forget that any non-compliance, as well as the above-mentioned acts, could result in serious damage to the trust we have gained from customers, suppliers, shareholders, investors, local communities and other stakeholders, and in turn, could even threaten the existence of the Group and its group companies themselves.

Finally, there is one more important thing. Please incorporate what the Code of Conduct and Guidelines of Behavior stipulate into activities in your workplace, and carefully consider what you should do before taking action. Ask your manager whatever questions you may have. To accomplish growth and development of the Group as a whole, each of us must execute every single item stated in the Code of Conduct and Guidelines of Behavior by regarding it as our own. With our continuous commitment to the creation of new value and honest and responsible behavior, let's create a prosperous future together.



II Management Philosophy



In April 2016, the Group newly established its Management Philosophy, devising a system of our predecessors' management philosophies that are still valuable today, with their words and expressions being refined. The Management Philosophy serves as a common basis on which the Group gathers all its strengths and develops into the future, providing a foundation for our ordinary business activities.

I Management Policy

We will constantly create new and innovative values, aspire to achieve a sustainable society and contribute to people's happiness.

"Creating new and innovative values" means exploring new markets, developing new technologies and products, improving efficiency and enhancing individual abilities, among others. "Constantly" and "new" emphasize a sense of innovation. "Sustainable society" refers to a recycling-oriented society in which we can permanently preserve and maintain limited resources and ecosystems on the Earth, provide fulfilling daily lives and leave them to future generations. "Aspire" expresses our strong desire to realize a sustainable society, and represents our will to make group-wide efforts to achieve an ultimate goal of the happiness of mankind, which the Group has continued to pursue since its establishment.

I Creed

We will honor dignity and always strive to be fair and unbiased in every way.

"Dignity" refers to grace and nobleness found in a person or object, and may appear in a person's daily way of speaking and behaving. The dignity cannot be acquired in a short period of time; it can only be achieved through continuous efforts made on a daily basis. To be "fair and unbiased," a person must act in a right and reasonable manner with a clear conscience.

All of us will fully demonstrate our own strengths and expertise, and contribute to social prosperity while we grow and thrive as an individual, a corporation and a group.

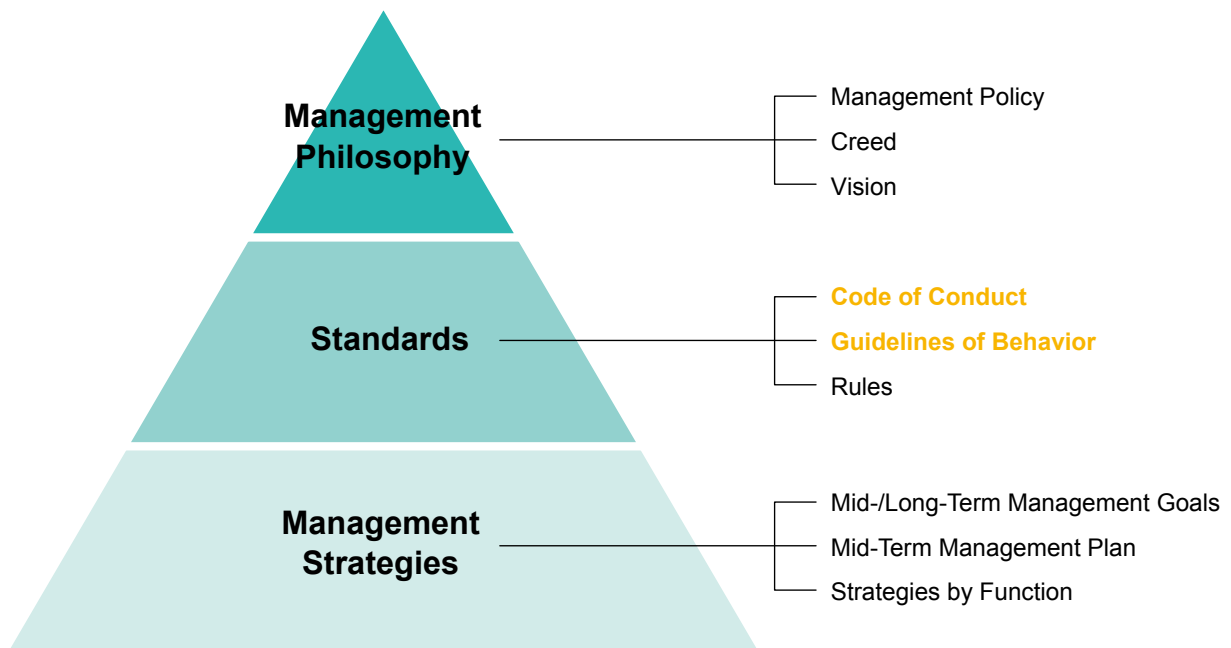
The term "individual" means not only each of us but also our workplaces, our companies and our group. Everyone working in a company plays a leading role in its business activities. If each individual member works vigorously with professionalism, the workplace as a whole will become more dynamic and will lead to further growth of the companies and the entire group. Working not only to achieve individual growth but also to increase social prosperity should ultimately result in a higher value of the Group.

I Vision

We will aim to become the Group which can provide unique and innovative technologies and products that will meet global expectations.

"Products" includes all manufactured products, systems and services we provide, encompassing all processes in which they are delivered to consumers worldwide through our customers. The Toyo Seikan Group will unite all its abilities and make a sustained effort, without relying only on the legacy of our predecessors, to enrich the lives of people all over the world.

III Corporate Philosophy Structure



Main category	Sub category	Description
Group Management Philosophy	Management Policy	- Significance of existence and mission of the Group - Permanent principles for the Group's activities * The management policy of each group company is at the same level as that of the Group.
	Creed	- Fundamental way of thinking, stance and value standards for our daily work
	Vision	- Specifically defined course of action and future objectives
Group Standards	Code of Conduct	- Framework that the Group must comply with and execute
	Guidelines of Behavior	- Specific rules that govern our actions within the framework - Basic standards of behavior for employees
	Rules	- Common rules applied to all members of the Group
Group Management Strategies	Mid-/Long-Term Management Goals	- Mid- to long-term management goals of the Group
	Mid-Term Management Plan	- Mid-term management plan of the Group
	Strategies by Function	- Strategies by function designed to achieve the Group's management plan (Strategies for sales, R&D, manufacturing, procurement, financing, human resources, IT system, etc.)

IV Toyo Seikan Group Code of Conduct



The Toyo Seikan Group (the “Group”) pursues, under fair and free competition, new value creation and honest and responsible behavior, and will be the driving force to achieve a sustainable society and contribute to human happiness. To that end, the Group will take social responsibility with high ethical awareness based on the 10 principles stated below, while complying with the relevant laws and regulations, international rules, and the spirits of such laws and regulations.

1. Sustainable economic growth and solutions to social issues

Through innovation that transcends traditional ideas and existing perspectives, we will develop safe and useful products, systems and services to offer them to the society, thereby seeking sustainable economic growth and solutions to social problems.

2. Fair business practices

We will never forget our past mistakes. We do not pursue only short-term profits; we promote fair and free competition, conduct transactions properly, and engage in responsible procurement activities. We also maintain sound relationships with politicians and governments.

3. Appropriate disclosure of information and constructive communication with stakeholders

For further improvement of corporate value, we proactively disclose corporate information in an effective and appropriate manner and hold constructive communication with our wide range of stakeholders.

4. Respect for human rights

We respect all human rights across our operations.

5. Mutual trust with consumers and customers

To gain the trust of consumers and customers and ensure their satisfaction, we provide appropriate information on our products, systems and services and communicate honestly.



6. Reform of work styles, improvement of work environment

We provide opportunities for employees to develop their abilities, respect their diversity and their different personalities, and ensure fair personnel management and appropriate human resource allocation. We also establish new work styles that allow employees to balance their work and personal lives while developing a worker-friendly environment which focuses more on health and safety.

7. Commitment to environmental issues

Commitment to environmental issues is a critical issue common to all mankind and is also essential for our existence as a corporation and for our business activities. Based on this point of view, we proactively address environmental issues.

8. Participation in the community and contribution to community development

We, as good corporate citizens, make active participation in the community and contribute to community development.

9. Comprehensive risk and crisis management

We ensure that our crisis management system works effectively to prepare for potential risks, such as hazards to life and health, actions committed by organized crime groups, terrorism, cyberattacks and natural disasters.

10. Roles of management and complete understanding of the Code of Conduct

In executing its duties, the top management of each group company recognizes that it is responsible for demonstrating the spirit of the Code of Conduct (the “Code”), and fully informs its employees and group companies about the Code by establishing effective governance. The management is also responsible for encouraging members of the entire supply chain to behave in accordance with the spirit of the Code. If there is an event that is against the spirit of the Code and could result in the loss of social trust, the management must fulfill its duty by taking the initiative to identify causes of, and solutions to, the problem and to prevent its recurring.

V Toyo Seikan Group Guidelines of Behavior



I Preconditions of the Guidelines of Behavior

We must fulfill the following preconditions to implement the Toyo Seikan Group Guidelines of Behavior (the “Guidelines”).

- (1) Comply with rules, including laws and regulations of the relevant countries/regions as well as policies and procedures of the Group and group companies.
- (2) Act honestly with high ethical standards in accordance with common practice, good sense and good judgment.
- (3) Perform duties as a team or an organization, and ensure that appropriate procedures that are authorized or formally approved are performed; not to perform duties in a way peculiar to a specific individual.

I Scope of application

The Guidelines are the basic standards of behavior which all officers and employees working within the Toyo Seikan Group must implement and comply with.

* “The Toyo Seikan Group” refers to Toyo Seikan Group Holdings, Ltd. and its group companies.

* “Officers” as described herein include directors, auditors, operating officers and advisors.

* “Employees” as described herein mean all members who work in the Group, including employees and special employees as well as contract employees, part-time employees, temps dispatched from staffing agencies and temporary workers.

I Countermeasures against violations of the Guidelines

Any violation of the Guidelines will be strictly punished based on provisions of the work regulations and other rules of the relevant group company according to the extent of the violation.

Items in the Guidelines

1. Sustainable economic growth and solutions to social issues	9
<ul style="list-style-type: none"> • Creation of innovation • Quality and safety assurance of our products, systems and services • Utilization of data and protection of personal information • Utilization and protection of intellectual property rights 	
2. Fair business practices	11
<ul style="list-style-type: none"> • Fair competition with competitors • Responsible procurement activities • Appropriate export control • Prohibition of bribery and corruption • Prohibition of conflicts of interest and mixing up public and private matters 	
3. Appropriate disclosure of information and constructive communication with stakeholders	13
<ul style="list-style-type: none"> • Transmission of corporate information • Constructive communication with our stakeholders • Prohibition of insider trading 	
4. Respect for human rights	14
<ul style="list-style-type: none"> • Respect for human rights 	
5. Mutual trust with consumers and customers	15
<ul style="list-style-type: none"> • Provision and effective use of information • Response to diversified needs 	
6. Reform of work styles, improvement of work environment	17
<ul style="list-style-type: none"> • Acceptance of diversity • Prohibition of discrimination and harassment • Continuous growth and challenges • Promotion of work-life balance • Maintenance of health and safety 	
7. Commitment to environmental issues	19
<ul style="list-style-type: none"> • Creation of a zero-carbon, zero-waste society that coexists with nature 	
8. Participation in the community and contribution to community development	20
<ul style="list-style-type: none"> • Active participation in the community 	
9. Comprehensive risk and crisis management	21
<ul style="list-style-type: none"> • Preparation for risks and crises • Separation from organized crime groups • Preparation for threats of terrorism • Ensuring cyber security 	



1 Sustainable economic growth and solutions to social issues

Through innovation that transcends traditional ideas and existing perspectives, we will develop safe and useful products, systems and services to offer them to the society, thereby seeking sustainable economic growth and solutions to social problems.

Creation of innovation

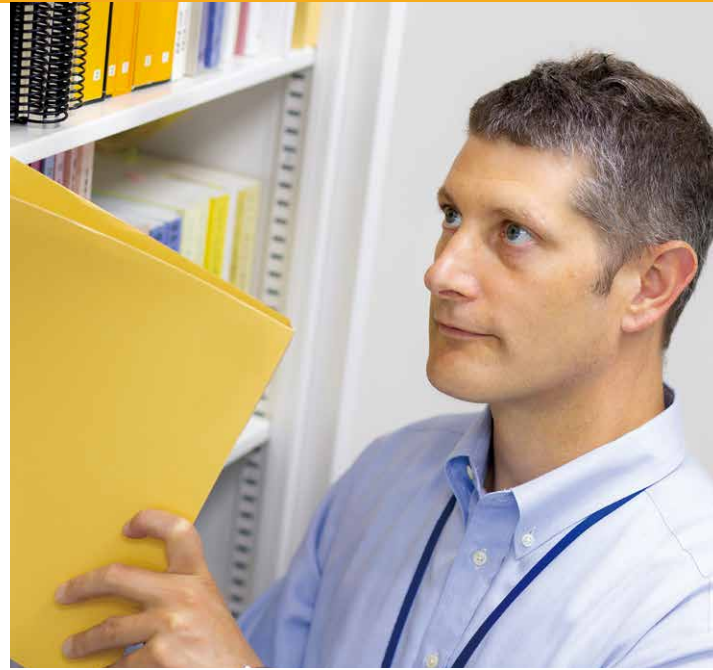
- We pursue innovation in all operational areas, including the transformation of technologies, production and sales processes, and distribution channels and supply chains.
- We seek open innovation opportunities via cooperation with third parties, other industries, universities and R&D institutions, as well as opportunities to work with various stakeholders, including governments, consumers, customers, local communities and NPOs/NGOs.

Quality and safety assurance of our products, systems and services

- In order to achieve a sustainable economic growth, we assure the quality and safety of our products, systems and services (collectively the “Products”) to gain trust and satisfaction of society.
- We define clear standards and procedures for all operational processes from product development to sales activities, ensure that they are executed, verify their effectiveness and revise them as necessary.
- In the event of a defect in the Products, we promptly collect, share and disclose the relevant information in an appropriate manner.
- We properly manage and store the information on incidents of defects and utilize such information to prevent recurrence.
- We provide Products that comply with and meet the requirements of laws and regulations and safety standards of the relevant countries.

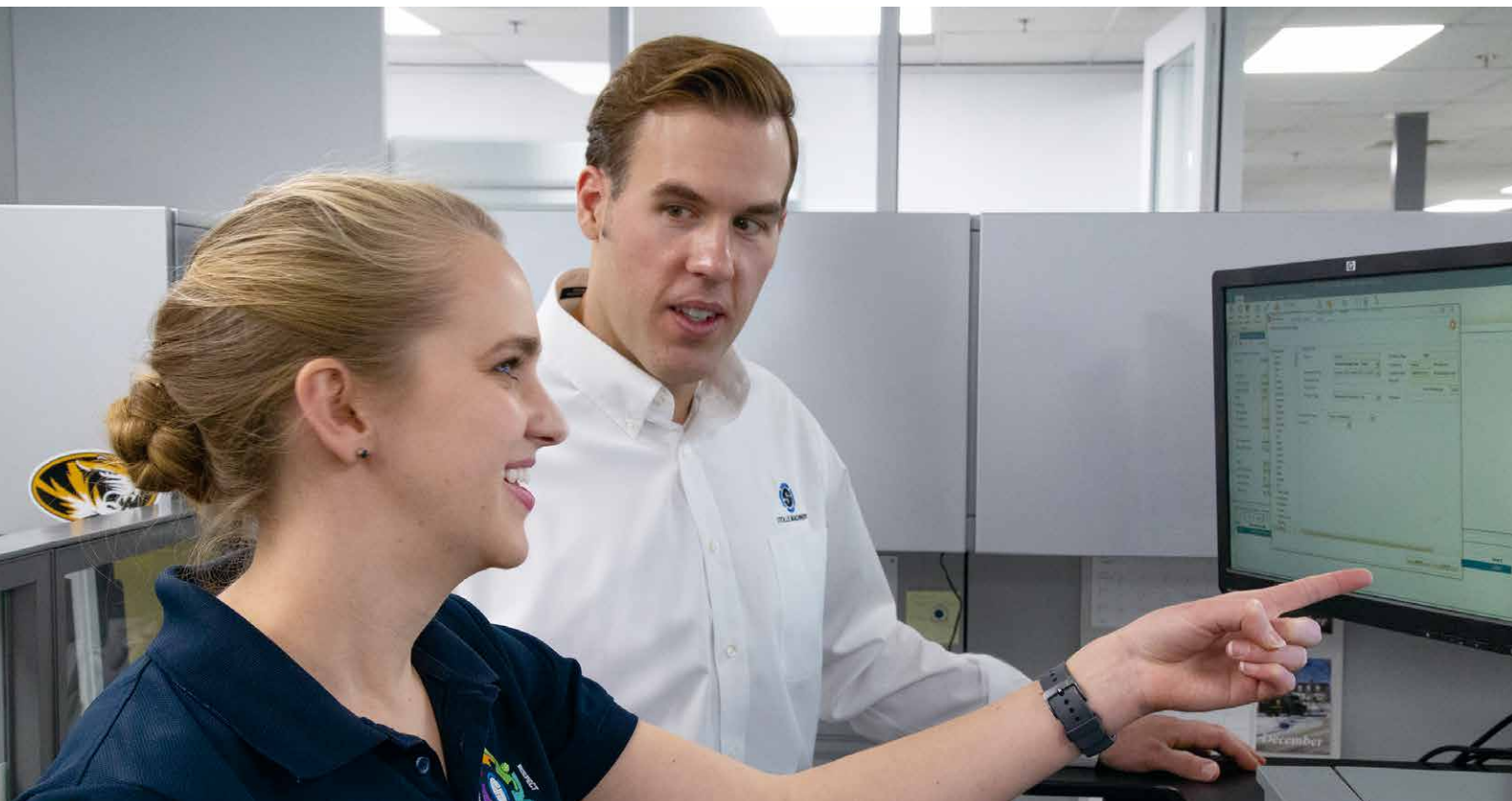
Utilization of data and protection of personal information

- We create new value, including innovative products, through the use of various types of data to contribute to improving the quality of life for all people and finding solutions to social problems.
- In using data, we properly manage and protect personal information in accordance with the relevant rules such as internal regulations.



Utilization and protection of intellectual property rights

- We create intellectual property and properly manage and use such intellectual property to develop and provide useful and innovative products for the society.
- We pay close attention to avoiding infringement of other parties' intellectual property rights, including patents, utility models, registered designs, trademarks and copyrights.
- We properly manage confidential information associated with technologies and sales operations, including trade secrets, in accordance with the relevant rules such as internal regulations in order to prevent technology and information leakage.





2. Fair business practices

We will never forget our past mistakes. We do not pursue only short-term profits; we promote fair and free competition, conduct transactions properly, and engage in responsible procurement activities. We also maintain sound relationships with politicians and governments.

Fair competition with competitors

- We maintain fair relationships with our competitors in accordance with the applicable competition laws in Japan and other countries and regions where we operate.
- Contact with competitors is allowed only when there is a legitimate business justification and with prior approval.
- We never exchange information or make an agreement with competitors on matters related to competition, including prices, price estimates, price increases or reductions, sales territories, sales volume, production volume, cost, market share, customer allocation, supply and demand prospects and appetite for orders.
- If we encounter an event that could result in suspected cartel formation at a meeting, party, golf event, etc. in which persons from our competitors also participate, we express a disagreement and leave the event, submit an internal report on the details of the event, and place the details of the event on record.

Responsible procurement activities

- In procurement activities, we pay attention to whether our suppliers are properly committed to legal compliance, quality, safety, environment preservation, information security, fair trade and ethics, health and safety, and human rights and labor conditions.

Appropriate export control

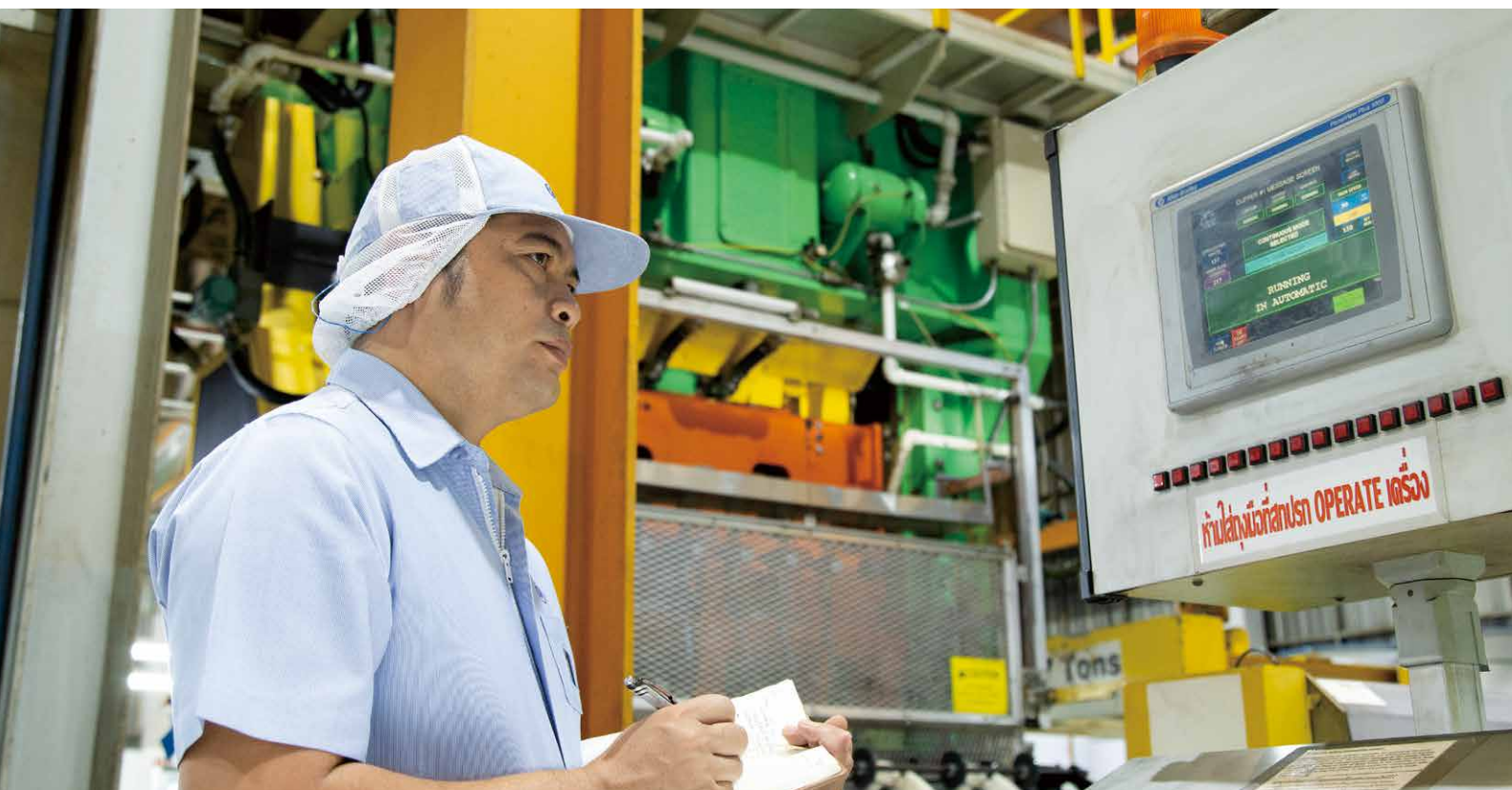
- In exporting products or transferring technologies abroad, in order to comply with laws and regulations related to export security control, we check in advance whether export regulations apply to such products and technologies. Regardless of whether or not such export regulations are applicable, we confirm in advance that there is no risk that such items are utilized for developing, producing or using weapons.

Prohibition of bribery and corruption

- Corruption is defined as the abuse of entrusted power or authority for private gain, financial or otherwise. We commit ourselves to prevent any form of corruption, including bribery involving domestic or foreign government officials, customers or suppliers, misappropriation and money laundering.
- We do not offer to or accept from our customers, suppliers or other business partners entertainment, gifts, money, etc. in order to gain or retain illicit profits or preferential treatment.
- We do not offer to politicians, domestic or foreign government officials, or other government-related parties (e.g. individuals who work at government agencies) entertainment, gifts, money, etc. that are provided, or could be considered to be provided, in order to gain or retain illicit profits or preferential treatment.

Prohibition of conflicts of interest and mixing up public and private matters

- Without the company's consent, we do not engage in any activity to obtain benefit for ourselves or any third party related to us (family members, friends, acquaintances, etc.) against the interests of the company by, for instance, concurrently serving as an officer at another company or being involved in an activity that competes with our company's business.
- We draw a sharp line between public and private positions and refrain from bringing our personal interests into the workplace or taking advantage of our position at work for private interests.
- We appropriately manage the company's assets (e.g. both tangible and intangible assets including the Products, facilities and equipment, loaned equipment, money, data and know-how) and refrain from using these assets for any purpose other than work, including private use.
- We clearly distinguish between statements of the company and personal comments on social networking services (SNS).
- No political, ideological or other personal activities are allowed at the workplace.





3 ■ Appropriate disclosure of information and constructive communication with stakeholders

For further improvement of corporate value, we proactively disclose corporate information in an effective and appropriate manner and hold constructive communication with our wide range of stakeholders.

Transmission of corporate information

- We actively disclose information to shareholders, investors and other stakeholders in an appropriate and timely manner in accordance with the relevant laws and regulations and internal regulations.

Constructive communication with our stakeholders

- We promote interactive communication with shareholders, investors and other stakeholders.
- We sincerely respond to our stakeholders' questions, comments and feedback on the information we provide.
- We take the opportunities of open facilities and factory tours to gain wider support of local communities for our business activities.

Prohibition of insider trading

- We refrain from trading shares and other assets based on unpublished material information related to the Group and its interested parties such as customers and suppliers.
- We conduct transactions of shares of a listed company in the Group in accordance with the relevant rules such as internal regulations.



4 ■ Respect for human rights

We respect the human rights of all people.

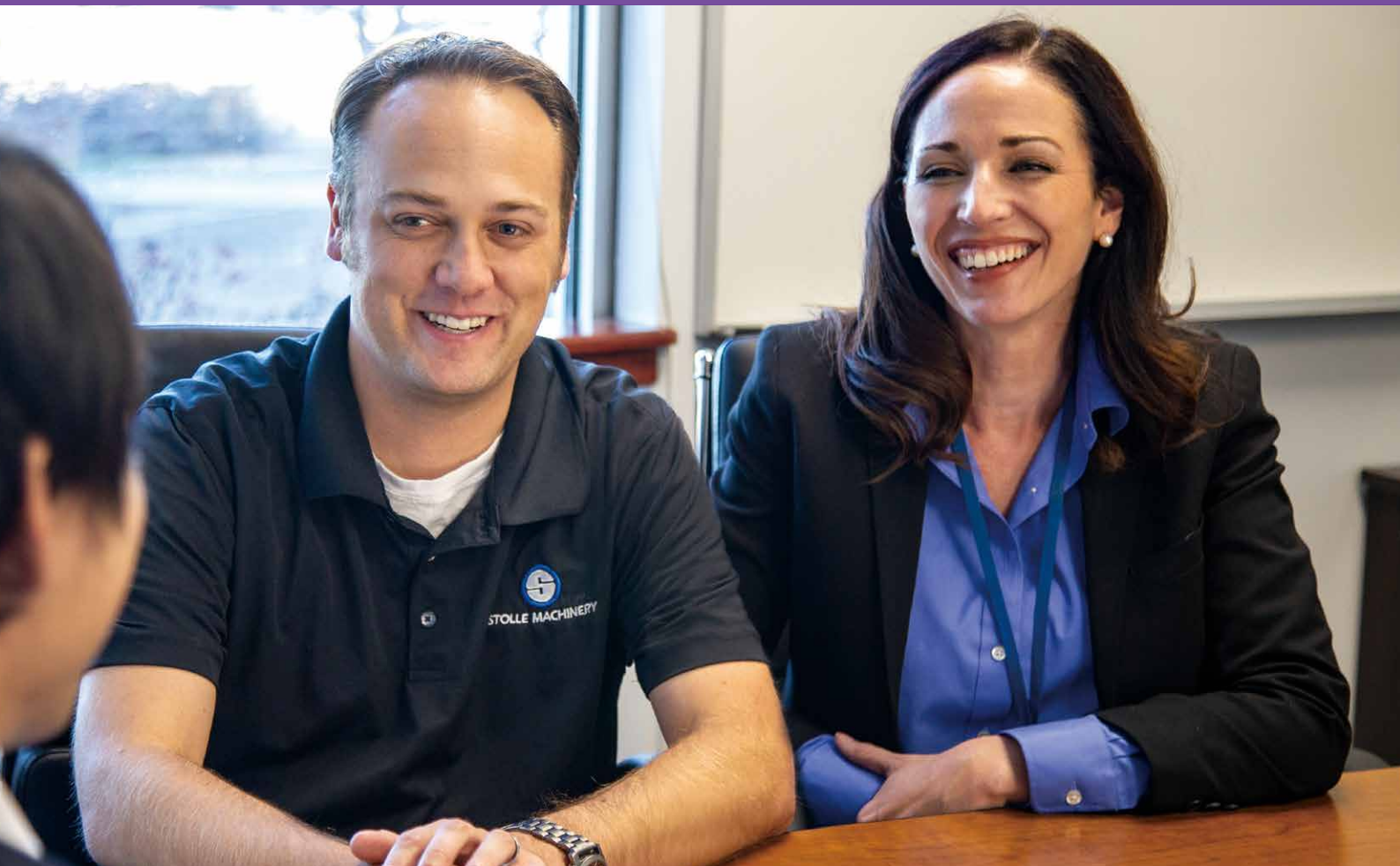
Respect for human rights

- We understand and respect internationally recognized human rights, including freedom of association, the right to collective bargaining and the right to a minimum wage, as well as laws concerning human rights in countries where we operate.
- We continuously monitor our business operations to check for human rights abuses not only within the group but also in the entire supply chain we belong to. In particular, we follow required standards and procedures to avoid using labor that is connected to human rights abuses, including forced or bonded labor, child labor and human trafficking.
- In the event that human rights abuses are identified, such facts must be immediately reported to the workplace managers and the relevant departments.
- We promote deeper understanding of challenges faced by socially disadvantaged people.
- In the cases where national laws conflict with international norms, we seek to respect internationally recognized principles of human rights.



5. Mutual trust with consumers and customers

To gain the trust of consumers and customers and ensure their satisfaction, we provide appropriate information on our products, systems and services and communicate honestly.



Provision and effective use of information

- We provide appropriate and easy-to-understand explanations on the details and handling of the Products. We also voluntarily and proactively disclose environmental and safety information.
- In the event that a defect in the Products that poses a danger to the health and lives of consumers and our customers is identified, such defect must be immediately reported to the workplace managers and the relevant departments.
- We share information on inquiries and requests related to the Products from consumers, our customers and other parties with the relevant departments and effectively utilize such information.

Response to diversified needs

- In each phase of development, production, filling, consumption, collection and recycling, we demonstrate our integrated strength as a group and promote horizontal cooperation among group companies to meet diversified expectations of society.
- We pursue the universal design of products that can be used by a wide range of people regardless of age, gender, disability, culture or language.





6 ■ Reform of work styles, improvement of work environment

We make efforts to develop our abilities, respect diversity in the workplace and different personalities of colleagues, and carry out fair evaluation and treatment and appropriate personnel allocation. We also establish new work styles which allow us to strike a balance between work and personal life, while actively engaging in health and safety maintenance activities.

Acceptance of diversity

- We respect each other's personalities and abilities and use the different perspectives and ideas of individual members as the common advantages of all group members.
- We build mutual trust between each other by sufficiently fulfilling our respective duties and responsibilities.

Prohibition of discrimination and harassment

- We do not discriminate on the grounds of nationality, race, ethnic group, religion, belief, gender, age, disability or sexual orientation.
- We do not tolerate harassment of any kind, including sexual harassment and abuse of authority in the workplace.



Continuous growth and challenges

- To be prepared for changes in society and work environment, each of us deepens our expertise regardless of the business areas with which the workplace or the company is associated. Through the individual efforts to achieve our own growth, we contribute to the growth of the Group.
- We are always conscious that maintaining the status quo may eventually result in taking a step backward. With revolutionary thoughts and global perspectives, we continue to pursue new challenges in our operations.
- Managers promote growth of their team members and conduct fair personnel evaluation and optimal human resource allocation, with an appropriate understanding of the individual personalities and abilities of each member.

Promotion of work-life balance

- To achieve a right balance between work and other aspects of life, including child-rearing, elderly care, medical treatment, learning and hobbies, we cooperate in creating and improving a workplace environment that allows everyone to work flexibly.
- Managers take the initiative to maximize output while reducing work hours. They also cooperate in correcting working practices that have been associated with long work hours.

Maintenance of health and safety

- We actively engage in health and safety activities on a daily basis, including risk prediction and 5S activities*.
*5S activities refer to a five step process for organizing a working area to improve efficiency, including Sort, Set in order, Shine (clean), Standardize and Sustain (maintain through training).
- Managers, together with their team members, take preventative measures against excessive work and implement mental health initiatives.
- We promote the maintenance and enhancement of health, including the prevention of lifestyle-related and other diseases.





7 ■ Commitment to environmental issues

We acknowledge that commitment to environmental issues is a critical issue common to all mankind and is also essential for our existence as a corporation and for our business activities. Based on this point of view, we proactively address environmental issues.

Creation of a zero-carbon, zero-waste society that coexists with nature

- We contribute to the creation of a sustainable society from the three key perspectives through the value chain of products, services and systems we provide.
- We pursue energy conservation while increasing the ratio of renewable energy to total energy consumption, and significantly reduce our carbon footprint.
- In order to deliver products, services and systems with lower environmental burden throughout their lifecycles, we pursue product design that allows for the use of recycled and renewable materials and the improvement of recyclability.
- We reduce material input and waste generation and promote recycling for more effective use of resources.
- We reduce the use and release of substances which could have an adverse impact on the environment, and promote switching to alternative substances.
- We advance our efforts to prevent environmental pollution, seeking solutions to the global problem of marine plastic pollution.
- We make efforts to understand the impact of business activities on the ecosystem, and perform our operations while respecting the biodiversity.
- We engage in active communication on environmental issues with our stakeholders to build a mutual understanding.



8 Participation in the community and contribution to community development

We, as good corporate citizens, actively participate in the community and contribute to community development.

Active participation in the community

- As a member of the Group, each of us understands the Group's view on participation in the community, actively participates in the community and contributes to its development.
- We actively join programs that promote healthy growth of children, who will be the next generation leaders.
- To build mutual trust with the international society and local communities, we understand the social environment of countries and regions where we operate and respect their cultures, customs and religions in conducting our business operations.





9 Comprehensive risk and crisis management

We ensure that our crisis management system works effectively to prepare for potential risks, such as hazards to life and health, actions committed by organized crime groups, terrorism, cyberattacks and natural disasters.

Preparation for risks and crises

- We become more sensitive to risks in day-to-day operations, and when identifying any risk, we report the information to managers and relevant departments and consult with them for preventive and corrective measures to address the risk.
- In the event of a disaster, accident or other emergency, we take necessary steps in a fair, honest and transparent manner following the instructions from managers and relevant departments and parties.

Separation from organized crime groups

- We do not have any connection with organized crime groups and similar organizations, which pose a threat to public order and security, or easily use our company names in a private situation, which could increase the risk of generating contact with such groups and organizations.
- We do not attempt to deal with organized crime groups alone; any actions should be taken as a team, in consultation with managers and relevant departments. Engaging in a backdoor deal or cover-up is never acceptable.
- We always make sure that our transaction counterparties are not organized crime groups.

Preparation for threats of terrorism

- Each of us raises awareness that we have to protect ourselves, whether we are in our own country or abroad. We voluntarily collect information and prepare safety measures so as not to be involved in an incident or accident such as terrorism and proactively share collected information with managers and relevant departments.

Ensuring cyber security

- We understand the importance of cyber security, and refrain from taking actions that are prohibited by the internal security rules. Delete suspicious emails and files without accessing them.



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