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Sango Group Code of Conduct Guidelines

CSR Committee

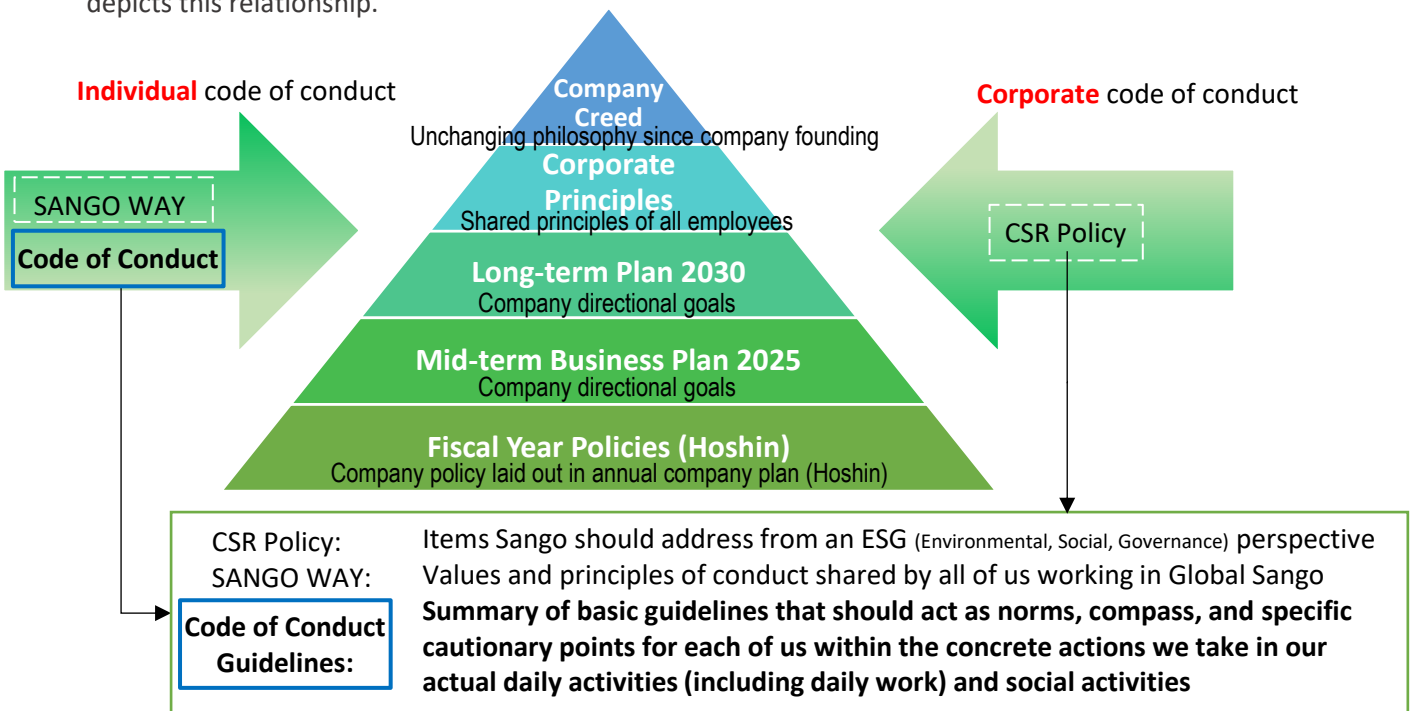
1. What do the Sango Group Code of Conduct Guidelines entail?

(1) What are the Sango Group Code of Conduct Guidelines?

This a document summarizing basic guidelines that should act as norms, compass, and specific cautionary points for each of us within the concrete actions we take in our actual daily activities (including daily work) and social activities.

(2) Relationship among the Company Creed, Corporate Principles, SANGO WAY, CSR Policy, and Sango Group Code of Conduct

At Sango, we have established the company creed, corporate principles, Long-term Plan 2030, Mid-term Business Plan 2025, and Annual fiscal year policies (Hoshin). Describing actions necessary to achieve established targets, they are all supported from the side by the SANGO WAY, CSR Policy and the Sango Group Code of Conduct Guidelines (hereinafter: Code of Conduct Guidelines). The illustration below depicts this relationship.



This summary of the Sango Group Code of Conduct Guidelines shall establish the norms and compass for concrete actions taken within daily company life and social activities by each and every employee of the Sango Group worldwide, regardless of whether in Japan or overseas. Please apply this across various daily situations.

Along with this, to ensure that all employees can work with peace of mind and make lives for themselves, the Sango Group will share common labor - management values of mutual understanding, mutual trust, and mutual responsibility through dialog and discussion in good faith.

2. Who follows the Code of Conduct Guidelines and how are they used?

The Code of Conduct Guidelines are equally applied to all employees working in the Sango Group, including all companies in Japan and overseas, as well as Group companies performing specific functions. Business partners in a cooperative relationship with the Sango Group are also expected to follow similar standards.

In addition, as these Code of Conduct Guidelines indicate what actions are appropriate in order to achieve the company creed, corporate principles, long-term plan 2030, mid-term business plan 2025, and the annual fiscal policies (Hoshin), they must be used as part of everyday work and activities.

3. What should I do if I check the Code of Conduct and still don't know what to do?

The Code of Conduct Guidelines do not necessarily encompass all possible behaviors.

Also, there are some regions where the rules, customs, or internal rules of a Group company apply.

If the Code of Conduct Guidelines and other rules are checked and it is still not clear what action to take, please use the following as a reference.

(A) First, ask yourself the following four questions.

① Am I trying to make a decision without enough information?

If there is a lack of information, first collect more information before deciding.

If you feel there is even a small chance of regret, ask yourself why you feel so.

This kind of intuition might provide a critical guideline.

② If you had to explain the rationale for your decision to a superior, would you feel any ethical uneasiness?

If you feel uneasy, there might be an ethical problem.

In this case, please take action that is ethically correct.

Ethical conduct is action that should be followed as a human being and it is conduct that is morally grounded.

③ If you explained the situation to a friend or family member, what would their advice be?

Many of the people in your private life have no direct involvement with Sango.

However, they would tell you with kindness what the correct action is.

If you were to consult such a person, think about what advice that person would give you.

④ If your situation were picked up by the media, how would it be reported?

Not just what is correct or incorrect, but how people who don't know Sango would feel and what they would think will be important. If you ask yourself how others would see the situation and make a decision, you should be able to see your own situation more objectively.

(B) If you ask yourself questions, but still don't know how to handle the situation, ask your co-workers and superiors for their opinions and advice.

4. What happens to someone who violates the Code of Conduct Guidelines (makes a mistake)?

What should be done?

The Sango Group will handle an offense fairly. A person who violates the Code of Conduct Guidelines could be disciplined in accordance with the Regulations for Work Rule Commendations and Discipline. If you commit a violation, immediately inform your superior, Governance Division, and department specializing in the matter. Or, please report to the plant's consultation service or the Sango Help Line (consultation window for whistleblowing). The problem will be discussed, a solution found, and improvements made.

5. What happens to Sango if the Code of Conduct Guidelines are violated (a mistake is made)?

If a violation of (or mistake violating) the Code of Conduct Guidelines occurred, the Sango Group would lose the trust we have built with customers and business partners and in some cases, lose the trust of society at large. In addition, if the improper conduct is also a violation of the law, the company could be subjected to lawsuits and as a result, be ordered to pay fines or damages. Criminal penalties would also be possible.

6. What should I do if I find a violation of the Code of Conduct Guidelines (a mistake that is made)?

If you find a violation, you must report it. If you find a mistake has been made, please immediately report it to your superior, the Governance Division, or the department specializing in the matter.

It is also possible to consult and ask for advice from the plant's consulting service or the Sango Help Line (whistleblowing consultation window).

*Sango Group will not allow discrimination or retaliation against an individual who reports, consults about, or cooperates in good faith with an investigation into a wrongful act or an act believed to be wrongful. The same shall hold true even if sufficient evidence cannot be found and the facts cannot be confirmed about a report or whistleblowing content.

*In accordance with Internal Whistleblowing Rules, for any report (information) on a situation that is provided, the whistleblower shall be protected.

Sango Group Code of Conduct Guidelines -- Content

① Respect of Human Rights

In deference to human rights, we consider discrimination and how we express ourselves.

In addition, we have understanding for religious activity in moderation and respect the freedom of religion.

Respect of Human Rights

We shall respect human rights and we shall not improperly discriminate on the basis of gender, age, nationality, race, ethnic group, beliefs, religion, sexual orientation, gender identity, physical disabilities, or the presence/absence of a spouse or child, nor do we allow infringement of such rights in the form of such acts as child labor, forced labor, or harassment (sexual or other types of harassment).

Consideration of Expressions · Words Used

We understand that some words used unintentionally in daily conversation may be construed as discriminatory, leading to libel/slander or social discrimination, or risk inviting misunderstandings, so we shall strive to avoid using such expressions or words.

Religious Activity in Moderation

We understand that religious activity is an individual freedom and we respect the freedom of religion.

Separation of Public and Private Matters

Political and religious activities are private behaviors and individual freedoms, but moderation must be followed so that such activities do not interfere with company duties. Other than the case where facilities are set up within the company, in principle, such activities shall not take place within the company.

② Compliance with Laws · Rules

As a member of the Sango Group, we shall behave in line with social decency, respecting laws and company regulations/policies, devoting ourselves to our own work duties.

Behavior in Line with Social Decency

We shall always behave in line with social decency and with a sense of obedience to the law. Anti-social behavior shall not be carried out by any individual regardless of motivation, nor shall it be tolerated.

Devotion to work duties

We shall devote ourselves to our own work duties and execute them in good faith. We shall have a proper understanding of, and follow, company regulations such as company policies and work rules. We shall carefully draw a line between public and private affairs, not mixing business with personal affairs.

Awareness of Being a Member of the Sango Group

We shall understand the spirit of the Sango Group embodied by the Company Creed, Corporate Principles, and CSR policy (contribution to society, keeping its trust, striving to be a sustainable growth company), and act accordingly. We shall be conscious that we are members of the Sango Group, and never engage in any activity forbidden by company rules, etc., nor any other illegal or bad faith acts. We

Cultivation of a Law Abiding Spirit · Common Sense Actions of Decency

We shall follow relevant laws and company regulations regardless of whether they are related to our work duties or not, and we shall not engage in any violation of regulations or law. In the unlikely event that such behavior is encountered, or we are forced or induced to carry such behavior out, we shall have the courage to respond appropriately. To prevent being unknowingly involved in legal or company rule violations, or being swept up into such a violation, along with a basic knowledge of laws, we shall hold **healthy social common sense and morality, and endeavor to act with decency.**

② Compliance with Laws · Rules (continued)

Maintaining Legal Compliance

We shall not tolerate illegal acts by others, who may or may not be related to the company (including business partners) and with a sense of justice, we will report illegal acts to the suitable window and take appropriate action. We will regularly call for legal compliance, both internally and to business partners.

Safety

When studying safety, we will carefully grasp safety standards of each country, as well as endeavor to ensure an even higher level of safety from a comprehensive local perspective.

Environment

We shall comply with all laws, ordinances, statutes, and agreements related to environmental conservation. In the unlikely event of environmental deterioration or pollution, we shall immediately take appropriate action.

Research and Development

If multiple competing companies (including foreign companies) engage in joint R&D, we shall investigate all relevant laws and guidelines of the involved countries, and confirm the content of regulations related to joint R&D. ~~duhly restricting participating company R&D activities and utilization of~~
【Purchasing】

We will not take advantage of Sango's superior position to force vendors to consent to business conditions or disclosure of knowhow, nor attempt to exclude any specific supplier/vendor.

We will urge suppliers to fulfill social responsibilities and we will not tolerate the following behavior:

- Behavior violating anti-trust law: Abuse of a superior position, transaction with tie-in provision, etc.

- Behavior violating Subcontract Proceeds Act: not issuing a written order, unjust discount, unjust return of goods, late payment, etc.

- Individual gains acquired from or provided to a supplier (gift, hospitality) exceeding social norms

- Insider trading: illegal use of supplier internal (confidential) information to buy/sell stock

【Production · Logistics】

We shall comply with laws and standards related to production and logistics. We shall not:

- without good cause, refuse to receive/inspect delivered goods or return delivered/inspected goods

Respect of International · Local Rules

We shall not only comply with Japanese laws and rules, but also foreign and international laws. Moreover, regardless of whether in Japan or overseas, bribery of a government official is punished severely. We shall not become involved in bribery or excessive exchange of gifts or hospitality.

Appropriate Use of Funds · Handling of Expense

We shall follow prescribed approval standards, rules and procedures for investment and expense expenditures of any of various projects, and have said expenditures checked by multiple persons to prevent inappropriate or fraudulent investments, payments, or use of funds. In particular, we shall never have one individual or a single department in charge of authorizing such expenditure.

Maintenance of Public Trust

If we violate the law or behave dishonestly (with fraudulent accounts, false quality claims, etc.), we will not only be subjected to legal remedies, but also suffer loss of reputation and trust cultivated over many years. Each of us shall conduct ourselves along social mores with an ethical outlook and in the spirit of compliance.

② Compliance with Laws • Rules (continued)

Political Donations

Not only shall we not provide bribery, dishonest gains or illegal political donations, but we shall also ensure that we never give the false impression of close political or government ties. Any political donations, contributions, etc. given in the company name shall follow each country's laws and customs, and once carefully decided, internal approval procedures must be followed, and donations must be carried out through proper channels.

Social Rites and Interaction in Moderation

When interacting with political or government officials, we shall take care to follow relevant laws and even if it is a conventional event, we shall also carefully review the appropriateness in advance.

Handling Anti-social Forces

With respect to organized violence or criminal behavior by anti-social forces or organizations, we shall immediately consult a superior, the relevant department or the Sango Help Line (internal whistleblowing window) and as an organization, make a firm response to such behavior.

③ Safety and Health

We shall strive for a good life style on a regular basis, working to improve the health of mind and body and prevent illness, with priority given to ensuring safety so that everyone can work safely and comfortably with peace of mind.

We shall also follow traffic rules and take care to drive considerately.

Safety and Health Care

We will endeavor to regularly follow a good lifestyle, making efforts to improve the health of mind and body, and to prevent illness. Also, we will give priority to ensuring workplace safety so that anyone can work safely, comfortably and with peace of mind. In the unlikely event of an accident, we will immediately aid the injured, implement safety measures, and carefully carry out all appropriate

Manufacturing Products Safely

Including the basic research stage, we shall give careful consideration to safety at every step in the production process, from development planning to design, testing, manufacturing, inspection, and

Safety and Health at Work

We shall place important value on prioritizing safety over all else, making this the foundation for all activities. Based on the basic Safety/Health Principle that "we shall strive to build sound minds and bodies, carry out work safely, and build a workplace and work environment where members can work safely with peace of mind", we shall comply with all relevant labor laws and internal rules at our work sites, striving to build comfortable workplaces where all members can be safe. We shall also endeavor to prevent accidents, disasters or occupational illness. In the unlikely event that such an incident occurs, work will be stopped immediately to ensure first aid and safety for members. Along with reporting the incident appropriately, we shall also thoroughly investigate the cause and take essential measures to

Compliance with Traffic Regulations

As a member of a company in the automotive industry, we shall always be aware that we should set a good example for society in our driving habits, always using seat belts, keeping our driving speed down, complying with traffic rules, and endeavoring to avoid causing or becoming involved in an accident. We shall not use a cell phone, eat, or drink while driving, and never drive under the influence of alcohol.

Considerate Driving Manners

We shall not only endeavor to prevent traffic accidents, but also to drive courteously, with good driving manners and considerate behavior, politely giving way to others, including pedestrians.

Swift Handling of a Traffic Accident

In the unlikely event of a traffic accident, we shall take swift measures to handle it.

【Examples of measures to be taken】:

- Aid any injured people *However, in some overseas locations, some limitations may apply
- Call an ambulance if necessary and call the police
- Report the accident to the insurance company and to the Company

④ Protection of Company Assets

We shall protect company assets and intellectual property, and not infringe on any rights related to the intellectual property of a third party.

Protection of Company Assets
We will follow all rules related to the handling of company assets. When it is found that a company rule has been broken or a law violated, we will immediately inform a superior, related department, of the Sango Help Line (whistleblowing consultation window).
Protection of Tangible Assets (Office machinery, tools, parts, etc.)
We shall not use any of the company's tangible assets for any purpose other than company business activities or a purpose for which internal approval has been acquired. To prevent loss or theft, we shall follow established rules for handling tangible assets, such as how to take them out for usage. Personal computers, etc. from other companies or ones used privately cannot be brought into the company.
Protection of Sango Intellectual Property
We understand that all rights with respect to intellectual property related to inventions, ideas, designs, trademarks, copyrights, etc., as well as trade secrets or knowhow that we acquire through work completely belong to our company.
Respect of a Third Party's Intellectual Property
We shall never improperly use the intellectual property of a third party such as patents, utility models, designs, trademarks, etc., nor infringe on the rights of a third party such as improper copying of software, documents, etc. If the need for use of a third party's intellectual property should arise, it shall only be used after obtaining permission and only used within the permitted scope of usage rights.

⑤ Proper Information Management; Transparency, Responsibility of Disclosure

We shall take the utmost care when handling customer or private information, and along with protecting it properly, for relevant customers, other employees, local community members, we shall disclose information related to company activity fairly and with transparency, at the appropriate time in the appropriate manner.

Protection of Private Information
We shall handle all private information appropriately. All personal information related to customers or suppliers shall only be obtained through proper means and information obtained shall be carefully handled, used within an appropriate scope, and protected.
Protection of Sango Confidential Information
We shall comply with internal rules related to the management of confidential information. To prevent leakage of secrets, we shall not send confidential information to contacts outside the company by e-mail, SNS, LINE or other such means and we shall immediately notify a superior, relevant department, or the Sango Help Line (whistleblowing window) if a rule infraction or illegal behavior is discovered. Also, upon quitting or retiring from the company, we shall not leak secrets learned while working there. 【Examples of leak prevention】: ● In a conversation with someone from outside the department (in a train, at a restaurant, etc.), do not talk about confidential matters ● Management of passwords for personal computers, etc. and regular check for viruses (especially software or data from outside the company, which must be checked for viruses before use)
Protection of Other Companies' Information
In the case where we obtain another company's confidential information, this shall be obtained from the properly authorized person in the proper manner. For information obtained from another company, upon confirming the scope of usage, it shall only be used within said scope or other stipulated conditions, and confidentiality shall be ensured, while also taking care not to infringe on the other
Confidentiality of Internal Information
Except for when it is warranted in order to carry out work duties, we shall not communicate company information, or affiliated company/supplier internal information to anyone within the company or externally, including family members.
Thorough Information Management
Regarding corporate confidential information that is an important Sango Group asset, we shall endeavor to manage it appropriately when obtaining, using or disclosing it. Regarding customer, business partner, or employee private information, we shall take all possible measures to ensure that such information is lawfully obtained and managed through appropriate means, and that it is used appropriately. Also, information obtained from such external sources as the internet, newspapers, magazines or other publications shall be handled with care to ensure that such problems as theft, falsification, or copyright infringement do not occur.

⑥ Fair and Impartial Relationship

Along with endeavoring to carry out fair and impartial transactions with customers and suppliers, we shall also strive to build a relationship of trust and achieve mutual prosperity.

Transactional Attitude of Good Faith

We shall be aware that we are representatives of Sango and keeping the Sango Basic Purchasing Policy in mind, interact with suppliers fairly and in good faith.

Requests to the Government and Responses to Government Guidance

We shall make requests to the government through proper channels, making rational requests and endeavoring to implement them. At the same time, if we receive vague guidance from the government, we shall request written clarification of the person(s) responsible and content based on established procedures and resolutely handle the situation.

⑦ Environmental Preservation and Social Contribution Activities

Towards achievement of a carbon-free society, our entire company shall work together to develop products that consider the environment, strive to promote recycling, resource savings, and energy savings, as well as protect our natural environment and contribute to the local community.

Consideration of the Environment

As members of Sango working to achieve a carbon-free society, not only shall we take up initiatives in development/design, production and logistics, but in all business activity areas, each individual shall actively consider impact on the environment.

As a Member of Society

We shall play a part in the recycling society, endeavoring to save resources and energy, as well as taking active steps in beautification and tree planting activities.

Active Social Contribution Activities

As a citizen actively participating in local community events and volunteer activities, this will not only benefit society, but also lead to our own personal growth. In accordance with each person's position and an awareness of problems, we shall take part in social contribution activities that contribute to the building of a better society.

Contribution to the Local Community When a Disaster Strikes

As a member of society, when a social emergency such as a disaster strikes, we shall actively take part in restoration and support activities for local recovery efforts.

⑧ Business Operations Respecting the Culture and Customs of Other Countries

In each country we do business, we shall respect the local culture and customs and contribute to local development.

Respect for the Culture and Customs of Each Country

We recognize that there are international rules as well as local rules for all types of activities, including R&D, Purchasing, Production, Logistics, Sales, and Services, and along with complying with such rules, we shall not only respect the local culture, customs, and history, but also consider the national and local sentiments of the people.

Observance of Contracts

We must have an adequate understanding of important laws and gain a good understanding of the content of contracts related to business projects. Complying with such contracts is the first step for open and fair business activities and we believe that this then becomes a foundation for trust with business partners, suppliers, and customers.