

Compliance

UBE Group Compliance Guidelines

The UBE Group is committed to ensuring compliance in the execution of its corporate activities and business, in accordance with laws and regulations in and outside of Japan, internal regulations, and social norms and rules. Through the integrity of its actions, we will live up to the expectations of society.

The UBE Group operates compliance-based business on the following pillars.

1. Establishment of UBE Group Action Guidelines

The UBE Group established the Action Guidelines in 1998, in order to ensure that officers and employees conduct business in accordance with laws and regulations in and outside of Japan, internal regulations, and social conscience. We revise the guidelines as needed to meet shifting social expectations of corporations and distribute the booklets to officers and employees to penetrate their mind with compliance.

2. Preparation of Framework for Securing and Practicing Compliance

UBE appoints Compliance Officers who are responsible for overseeing tasks related to ensuring and practicing compliance at the UBE Group. The Compliance Officers receive advice from the UBE Group Compliance Committee, and supervise and manage compliance frameworks for each department and Group company. Under the Compliance Officers' direction, the compliance frameworks are securing and practicing compliance through education and training, rapid correction of compliance issues, and the adoption and execution of recurrence prevention measures through continuous monitoring.

3. Internal Reporting System

The UBE Group internal reporting system (UBE C-Line) enables employees to report compliance violations directly to the Compliance Promotion Secretariat, to facilitate the rapid identification and resolution of compliance issues of the Group.

UBE Group Action Guidelines

Preface: Corporate Mission and Sustainability

The UBE Group lives up to its founding spirit and corporate philosophy by pursuing Group sustainability through its business activities. At the same time, we are focused on strengthening our efforts to address global environmental issues and contributing to the realization of a sustainable world that exists in harmony with nature.

- (1) In accordance with laws and regulations at home and abroad, and norms and guidelines that should be observed, and with respect for human rights, we will pursue our corporate activities in a sound and fair manner.
- (2) We will pursue corporate governance that is in keeping with the demands of society and strive to continuously expand revenues and enhance our corporate value.
- (3) We will secure safety and quality in providing products and technologies that contribute to the environment.
- (4) We will strive to reduce the environmental impact of our business activities and effectively utilize resources in order to conserve the global environment.

- (5) We will practice appropriate information disclosure for all stakeholders and readily communicate with society.
- (6) As a good corporate citizen, we will engage in social initiatives at home and abroad, to contribute to the growth of communities.

Chapter 1. Create New Value

We will develop and supply technologies, products and services that are safe, serve useful purposes, and earn the confidence of the public.

- (1) We will consistently offer safe and useful technologies, products and services that are environmentally friendly and at appropriate prices, in order to satisfy customers and earn their trust.
- (2) We will seek out challenges and develop technologies, products and services that address the diverse needs of society and pave the way for the future.

Chapter 2. Legal Compliance

We will comply with applicable laws/regulations and internal regulations, conducting ourselves as befits members of a sound society.

- (1) We will comply with the letter and spirit of all laws/regulations, and refrain from illegal activity.
- (2) We will refrain from crossing lines of common decency and social norms, even if it does not relate to violating laws.
- (3) We will observe internal regulations and rules, while engaging in conduct that clearly separates the public and private.
- (4) We will refrain from any conduct that diminishes assets, credibility and public reputation of the UBE Group.
- (5) We will perform proper accounting and tax declarations in accordance with applicable laws and regulations.
- (6) We will refrain from having any ties with antisocial forces including having transactions with them.

Chapter 3. Fairness and Integrity

We will promote fair and open competition while executing our work with integrity as we pursue our business activities both at home and abroad.

- (1) We will practice fair trade and compete in the marketplace based on technologies, quality, pricing and service, and not impede healthy and open competition.
- (2) We will refrain from unfair practices that are damaging to competitor corporations and business partners, and refrain from pursuing profits through improper means.
- (3) We will continually maintain sound and normal ties with governments and regulators in all aspects of our business activities.

Chapter 4. Safety and the Environment

We will make it our shared value to prioritize safety in everything we do, realizing safety and security in the workplace and local communities, and conserving the global environment.

- (1) We will secure healthy, safe and comfortable working conditions, aiming to eliminate occupational accidents.
- (2) We will ensure the safety and security of facilities and operations, aiming to eliminate facilities accidents.
- (3) We will reduce our emissions of waste and chemical substances, and contribute to establishing a recycling-based society by recycling and effectively using resources.
- (4) We will voluntarily and continuously work to address global environmental issues in order to contribute to a sustainable society.
- (5) We will strive to maintain and improve the health of working persons, who give vitality to society and corporations.

Chapter 5. Quality and Trust

In order to earn the trust of stakeholders, we will continually focus on safety and security in developing and providing products and services that meet customer expectations for quality.

- (1) We will always obtain the latest information on regulations and public standards that relate to quality, and we will adhere to them.
- (2) We will adhere to the agreements with customers.
- (3) We will build close relations with customers and provide the quality sought by customers.
- (4) We will continually improve our quality assurance systems.
- (5) We will develop products and services that can be safely and securely handled throughout the product life cycle, ensuring that we suitably provide necessary information.

Chapter 6. Human Rights and Labor

We will respect human rights and create healthy and positive workplaces that are comfortable to work in, as we pursue our business activities both at home and abroad.

- (1) We will respect the personal dignity of all persons including their personalities and individuality, while promoting mutual understanding and refraining from discrimination based on gender, nationality, race, physical and mental challenges, age, social status, religion, creed and sexual orientation and other gratuitous attribution.
- (2) We will refrain from all inhumane practices including forced labor and child labor, as well as refrain from having any ties with individuals and organizations that are involved in such practices.
- (3) We will promote good communication and establish workplaces that are free of harassment.
- (4) We will be receptive to diverse ways of working and realize a work-life balance.
- (5) We will build and maintain positive ties between labor and management, with an emphasis on mutual trust.

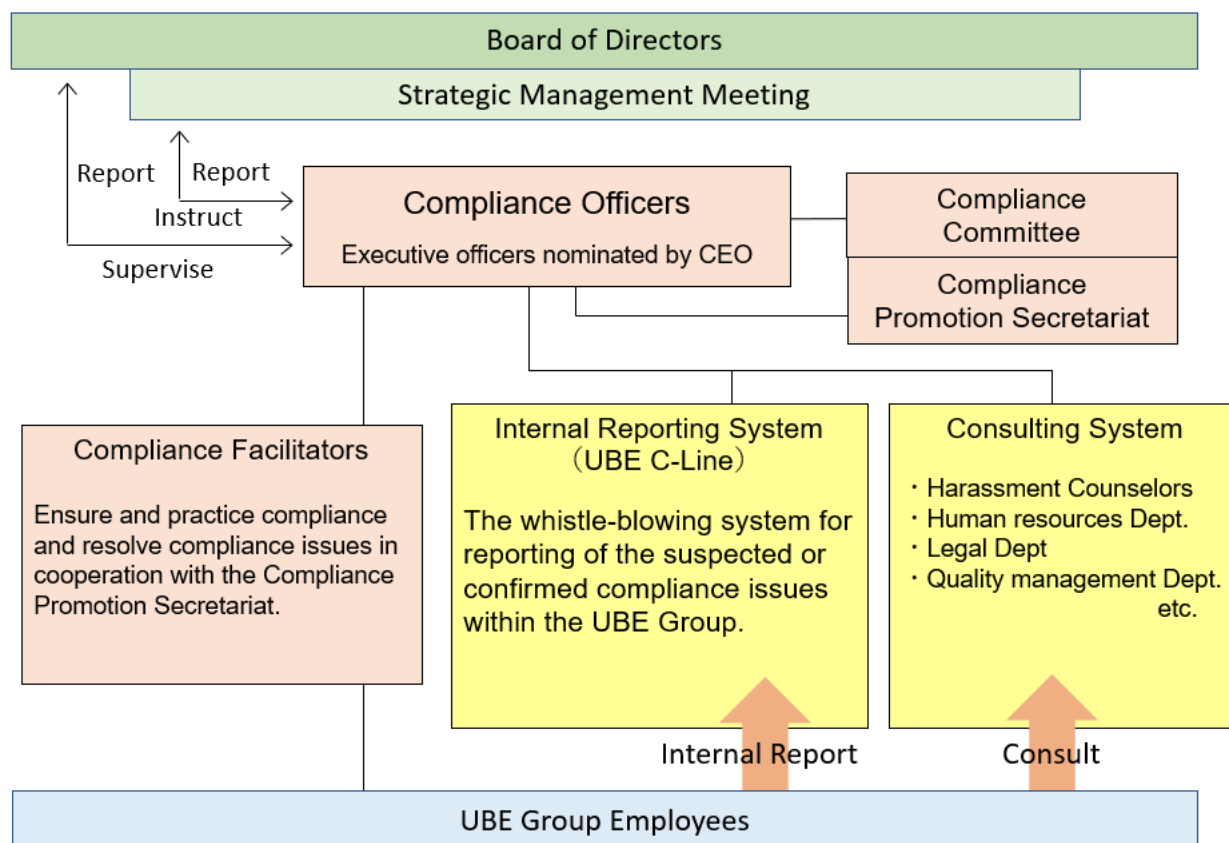
Chapter 7. Protection and Disclosure of Information

We will protect information and properly disclose corporate information.

- (1) We will protect personal information and the information of our business partners.
- (2) We will take every possible precaution for the handling of unpublished corporate information (insider information) and company confidential information.
- (3) We will provide stakeholders with accurate corporate information and disclose it in a timely and fair manner.

Compliance Framework

The framework for compliance is as follows.



The Compliance Officers (nominated executive officers) are responsible for overseeing compliance at the UBE Group and advised by the Compliance Committee. Compliance Facilitators are assigned for each department and Group company to ensure and practice compliance and resolve compliance issues in cooperation with the Compliance Promotion Secretariat.

The Compliance Committee is one of the working committees dealing with internal control of the UBE Group, and Compliance Officers regularly reports on compliance issues and situations to the Strategic Management Meeting and the Board of Directors.

Internal Reporting System (UBE C-Line)

The UBE Group internal reporting system (UBE C-Line) enables employees* to directly report suspected or confirmed compliance issues (human rights infringements (e.g. bullying, harassment, discrimination and labor issues), corruption (e.g. bribery, excessive entertainment and adhesion), fraud (e.g. fictitious claims and embezzlement), falsification of product data, and other illegal activities) within the UBE Group. Employees are encouraged to report anonymously and protected from retaliation by internal regulations.

When a compliance case is opened, the Compliance Promotion Secretariat cooperates with the organization concerned and investigates the matter in order to arrive at a resolution by disciplinary actions and corrections as needed. We post harassment cases in the workplace on the intranet as appropriate, and strive to prevent recurrence by sharing information and calling attention.

*Encompasses officers and employees of Group companies as well as the officers and employees of subcontractors.

*If you know compliance issues in the UBE Group, please inform us via the Contact at the top of this page.

Number of the internal reports (related to harassment)

FY2017	FY2018	FY2019	FY2020	FY2021	FY2022
27(13)	32(14)	22(13)	25(16)	34(16)	35(18)

Reporting Hotlines for Suppliers, etc.

To maintain and promote compliance, the UBE Group upholds a policy of "obeying laws and regulations at home and abroad, as well as in-house regulations, social norms and other rules in the course of business execution and other aspects of corporate

activities” and practices compliance activities accordingly.

If you recognize any compliance violation, including potential or alleged cases of such violations, in connection with the UBE Group’s business activities, please report this to us by using the following form.

[Reporting form](#)

This form is dedicated to receiving reports from external individuals, such as suppliers. Please use the “[Inquiries](#)” page when communicating your opinions to or seeking consultation from the UBE Group.

Note: Applicable cases of compliance violations include acts of harassment, violations of human rights, acts of corruption such as, bribes (both provision and acceptance) or collusion, misconduct such as false billing and embezzlement, the falsification of product or other data, as well as other forms of illegal conduct.

Compliance with Competition Law

The Competition Law Compliance Committee operates within the UBE Group Compliance Committee to ensure that corporate activities are soundly executed and do not prevent fair and free competition in markets. It establishes a framework to prevent against cartels and monopolies, in accordance with competition laws (anti-monopoly laws) in and outside of Japan. For example, if conducting a sales meeting with a same industry competitor, rules are in place that require prior approval from the managing department and the filing of a follow-up report, in order to prevent a cartel and address the root of the problem.

Compliance with Export Laws and Regulations

The UBE Group implements export controls to prevent the unauthorized export or supply of restricted goods and technologies, in accordance with the Foreign Exchange and Foreign Trade Act and other legislation intended to maintain peace and security in Japan and the international community. The Group operates the Restricted Cargo and Export Management Committee, which works to ensure that Group companies are fully aware of the restrictions.

Corruption Prevention

The UBE Group stipulates in the UBE Group Action Guidelines that we act in compliance with social norms and maintain a sound and normal relationship with politics and administration, and has Anti-Bribery Guidelines in order to prevent corruption including attempted bribery of public servants in and outside of Japan. Officers and employees are required to take an e-learning course and group training on corruption prevention based on instructions of the Compliance Committee and Compliance officers. If a suspicious case of corruption such as bribery, excessive entertainment and adhesion is received through the internal reporting system (UBE C-Line) or other means, the Compliance Officers and the Compliance Facilitators cooperate to swiftly investigate the facts and prepare the necessary response.

*UBE has signed the UN Global Compact, and has pledged to uphold the principle of anti-corruption. The Company is also a member of the Global Compact Network Japan.

*No disciplinary actions, fines or penalties related to corruption were assessed to the UBE Group in fiscal 2022.

UBE Group Policy on Bribery Prevention

The UBE Group will not engage with any person in any act of bribery such as the provision and acceptance of improper benefits in terms of the importance of bribery prevention for domestic and foreign public officers and other related individuals or entities.

(1) Prohibition of bribery

Personnel of the UBE Group will not engage in the provision, acceptance or promises of any demands for money or other undue favors, and the proposal or authorization of the provision or acceptance of them to or from public officers or other related individuals or entities, with the intention of obtaining improper benefits in domestic and foreign businesses.

(2) Development of a bribery prevention framework

The UBE Group will develop whistleblowing system and audit system in a fair and equitable manner, and will maintain and operate the appropriate framework designed to prevent acts of bribery.

(3) Recording of transaction detail

The UBE group will accurately and properly record accounting books and go through accounting procedures in order to prevent acts of bribery and ensure the early detection of them.

(4) Implementation of Education

The UBE Group will continually implement education and training to its personnel in order to maintain and improve the ethical mindset for preventing bribery.

"Public officers and other related individuals and entities" includes any of the following persons or entities:

- A person engaged in public duties for the national or local governments in Japan or other countries,
- A person engaged in the affairs of the national or local governments in Japan or other countries,
- A person engaged in public duties for a public body,
- A political party or a staff member,
- A person engaged in public duties for an international organization,
- A person authorized by foreign government or public body, and
- Any other person similar to any of them above.

Political Contributions

As stipulated in the Political Funds Control Act, the UBE Group donates political funds only if it is approved as prescribed in its internal rules.

Expenditures for Political Contributions in FY2022 400,000 yen

Basic Policy for Anti-Social Forces

The UBE Group will adhere to the following policies to protect against anti-social forces, including mobsters and groups or individuals who seek to use violence, threats or fraudulent means in the pursuit of economic gain.

1. We do not maintain relations of any kind or conduct transactions with anti-social forces.
2. We refuse to meet the demands of anti-social forces, and will pursue legal avenues against such demands through civil courts and criminal justice.
3. Under no circumstances will we pay money to or cover up transactions with anti-social forces.
4. We will work closely with external organizations, including police authorities, the National Center for Removal of Criminal Organizations, and attorneys, to protect against anti-social forces.
5. We will keep a unified corporate front in response to the demands of anti-social forces, to protect the safety of our officers and employees.

Policy on Conflict Minerals

The UBE Group practices responsible procurement of raw materials, in order to meet its social responsibilities as a corporation. If it is found that conflict minerals (minerals that are mined and sold under the control of armed groups in the Democratic Republic of the Congo and surrounding regions) are used in procured raw materials, the Group will immediately stop procurement of the raw materials.

Information Protection and Management

UBE Group Information Management Guidelines

We protect information and properly disclose our corporate information.

1. We strive to protect personal information and the information of our business partners.

2. We use every precaution for the handling of undisclosed corporate information (insider information) and the Group's confidential information.
3. We promptly and fairly disclose and supply accurate corporate information to stakeholders.

UBE Group Information Security Guidelines

1. To help build a world of abundance by creating products, technologies, and services that deliver value, the UBE Group operates an information security framework to disclose, use, protect, and manage information as a corporation that has earned the trust and appreciation of society.
2. The UBE Group strives to ensure that each officer and employee of the Group recognizes the importance of information assets and complies with relevant laws and regulations, by establishing internal rules, conducting employee education and raising awareness, and implementing information security measures. This is intended to fully secure information security systems, which have a tremendous impact on corporate activities. Additionally, in order to ensure that information security is maintained, we periodically inspect the information security related activities and continuously improve them.

Framework

The UBE Group designates an Information Security Officer as the person with the highest responsibility for information security. The Information Security Committee supports and advises the Information Security Officer by proposing and discussing critical matters related to information security. This provides a framework for the Group to implement various initiatives designed to maintaining information security.

Personal Information Protection (Privacy Policy)

The UBE Group has established the following Privacy Policy, and is taking initiatives to implement, maintain, and improve its measures for personal information protection.

1. The UBE Group has established and shall comply with rules concerning the appropriate handling of personal information, taking into consideration the details and scale of the Group's business. These rules pertain to the acquisition, usage, transfer, safekeeping, provision, and deletion of personal information.
2. The UBE Group shall practice regulatory compliance with laws and ordinances concerning personal information protection.
3. The UBE Group will carry out safety measures to ensure against incidents such as the loss, destruction, falsification, and leakage of personal information. Furthermore, the Group will act quickly to implement necessary corrective actions should any such incident occur.
4. The UBE Group will regularly reassess and improve its policy on personal information protection.

Policy on Information Disclosure

- [Policy on Information Disclosure](#)




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