

Nitto Group
**Business Conduct
Guidelines**



Table of Contents

Message from the CEO P.02

I Introduction P.03

II Putting Ethical and Legal Compliance into Practice P.07

III Whistleblower System P.11

Basic Policy

- 1-1 Respect for Fundamental Human Rights ... P.13
- 1-2 Ethics and Compliance P.14
- 1-3 Distinction between Public and Private P.15
- Column P.16

Safety & Quality

- 2-1 Workplace Safety P.17
- 2-2 Occupational Safety and Health P.18
- 2-3 Customer Care P.19

Employment & Labor

- 3-1 Employee Care P.21
- 3-2 Creating Safe and Open Workplaces P.23
- 3-3 Supplier Care P.24

Environment & Society

- 4-1 Environmental Care P.25
- 4-2 Contribution to Society P.27

Corporate Assets & Information

- 5-1 Document and Data Control P.28
- 5-2 Information Management and Security P.29
- 5-3 Protection of Corporate Assets P.31
- 5-4 Accounting Treatment and Compliance with Tax Laws ... P.32
- 5-5 Management of Intellectual Property P.33

Relationship with External Parties

- 6-1 Anti-bribery Care P.34
- 6-2 Competition Care P.37
- 6-3 Optimum Procurement P.39
- 6-4 Trade and Security P.40
- 6-5 Information Disclosure P.41

Message from the CEO

The Nitto Group Business Conduct Guidelines (hereinafter referred to as “BCG”) are intended as the basis that will guide everyone who works for the Nitto Group around the world to act ethically in compliance with laws and regulations in their business activities.

Lately, corporations are expected to take actions at high degree not only in terms of legal compliance, but also implementing business ethics. In order to respond to such expectations from society, each of us at the Nitto Group needs to take appropriate actions and practice in his or her activities. To help achieve this objective, in the BCG, we have kept in mind the need for using the language that can be easily understood by the global audience.

To ensure that the Nitto Group can continue to be a corporation that is trusted by society, I hereby affirm my commitment to taking the initiative in observing the BCG and setting an example for others to follow. I hope that all of you will join me in putting the BCG into practice.



Representative Director,
President CEO COO
Hideo Takasaki

I Introduction

1 Relationship between the Nitto Way and the BCG

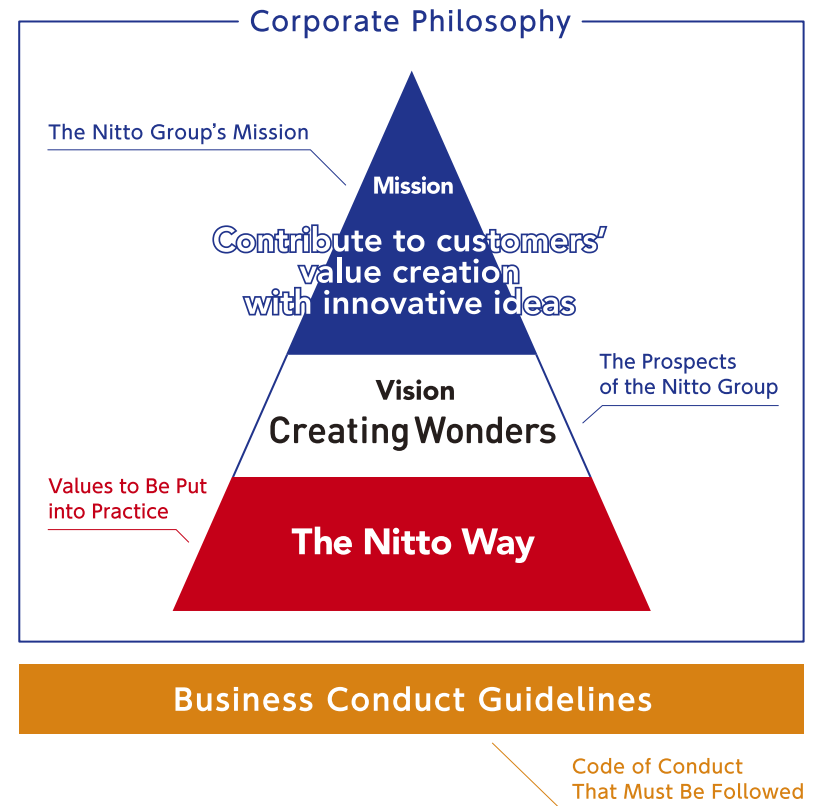
The Nitto Way and the BCG are aimed at each and every officer and employee of the Nitto Group (directors, executive officers, employees, dispatched workers, part-timers, temporary workers, etc.).

The relationship between these two is that if

The Nitto Way is a set of values that define a code of conduct to be practiced, the BCG ties the set of values to behavior standards.

Today, social rules consist not just of laws and regulations, but also of responses to society's demands.

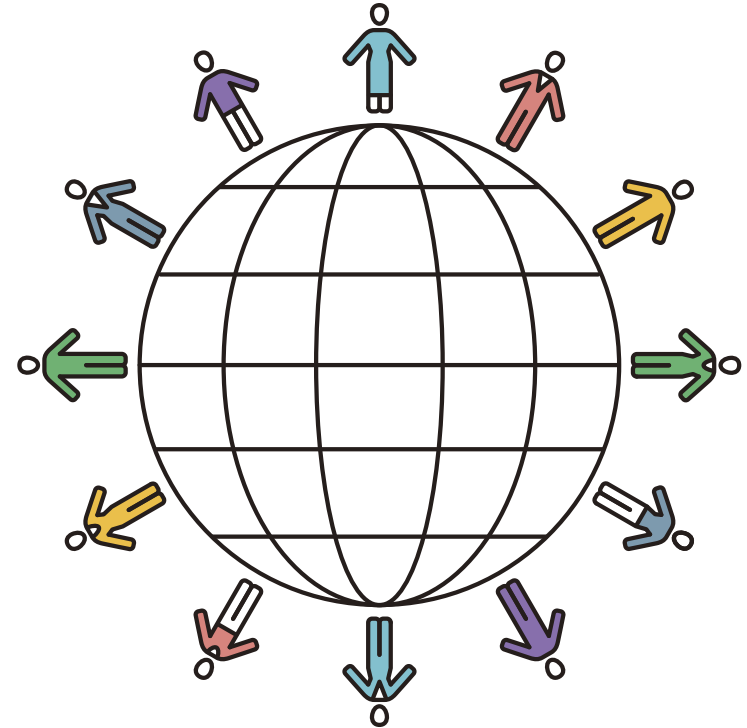
The Nitto Group discloses how it responds to these demands in the form of basic policies such as the Basic Policy on Sustainability. In developing the BCG, we have observed these basic policies and incorporated them into the daily behaviors of each and every one of us.



2 Handling Violations of BCG

In the course of our business activities, we encounter a great variety of legal and ethical problems. When you find it difficult to make a decision, please make use of the BCG. Any employee who fails to comply with the BCG may be subject to disciplinary action based on local laws and regulations, Nitto Group rules, or local corporate rules.

No officer or employee of the Nitto Group shall instruct any other officer, employee, representative, or business partner to perform any act that conflicts with ethical or legal compliance or tolerate any actual or suspected noncompliance.

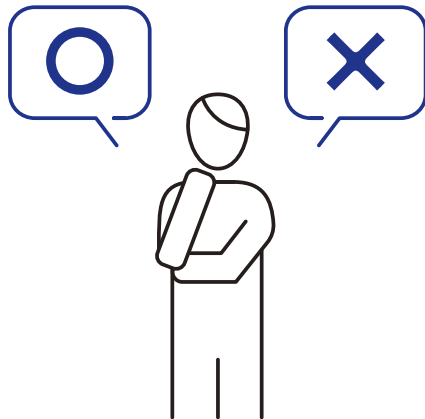


II Putting Ethical and Legal Compliance into Practice

1 If it is difficult to determine

When you find it difficult to determine any action to be taken in the course of your business activities,

Ask yourself the following eight questions in the "Ethics & Integrity Checklist" (Page 9) to check if your action is appropriate or not:



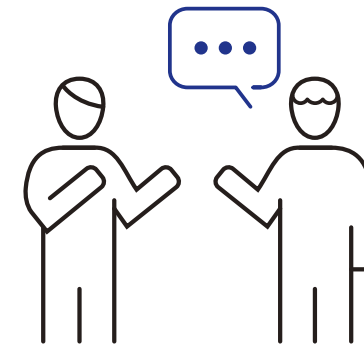
2 Communication Channels for Consultation

If you ever notice something that seems to contradict the BCG, or have any question about compliance, please make sure you report to or consult with the respective person or communication channel listed below regarding your concerns.

Communication Channels (Who to Contact)	Concern / Issue (example)
Your superior (i.e., your manager)	Day-to-day business activities within the Nitto Group
HR / GA at a location or group company	Harassment, human rights/labor issues, etc.
Relevant department/section of Corporate Sector	Legal & Compliance, Safety Control, Quality Control, Procurement, Data Management, Intellectual Property, Accounting/Taxation, Export Controls, etc.

If using the above consultation framework (your manager/communication channels) does not solve the problem

Please make use of the Whistleblower System.



If you are uncertain about something, please check the list below.



Ethics & Integrity Checklist

Does my conduct infringe on someone's human rights?

Does my conduct conflict with any law or regulation?

Does my conduct prioritize my personal interests over those of the company?

Is my conduct in line with the Nitto Group's Corporate Philosophy?

How would my conduct be perceived by our customers and other business partners?

How would I feel if I saw or hear a news report about the same conduct as mine in a newspaper?

How would I feel after such conduct?

Can I confidently explain such conduct to family or friends?

If you find it difficult to answer this checklist with confidence, work on the questions with someone around you such as your superiors and co-workers. Please check with various communication channels for consultation that the Nitto Group has in place. (Refer to Page8,11~12)

Whistleblower System

The **Whistleblower Hotlines** of the Nitto Group are as follows.



See Compass area site or internal notices within your workplace for the contact information. You can report your concern anonymously.

Examples of reports subject to the whistleblower system

- Significant dangers to people's lives, health, or safety
- Involvement with antisocial forces, organized crimes, money laundering, terrorist funding, or other illegal activities
- Bribery, corruption, and collusion
- Insider trading that intends to seek personal gain through improperly using company information, or conflicts of interest
- Excessive entertainment of clients
- Dishonesty concerning quality/information management (Including falsification of quality data, inappropriate access of data, etc.)
- Other violation of laws, regulations, or ethics, or breach of public interest

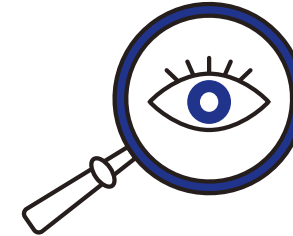


What should not be reported

Displays of dishonesty or dissatisfaction towards one's performance evaluations or treatment, slandering or spreading rumors about others with malicious intent, or spreading falsehoods about someone to discredit the person, etc.

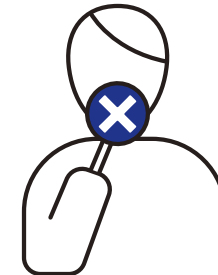
1

Concerning the content of reports; if the company believes that the incident is a violation of ethical or legal compliance, the company will start an investigation to discover the facts. Officers and employees must cooperate with any initiated investigations.



2

The Nitto Group promises to protect the privacy of the whistleblower, keep the name of the whistleblower confidential, and the contents of the whistleblower's claims from anyone except those who need the information for the purpose of carrying out an investigation. Moreover, we will not tolerate any dismissals or other disadvantages that may occur to the whistleblower based on the facts that the person reported the case. You can use the whistleblower hotline safely and securely.

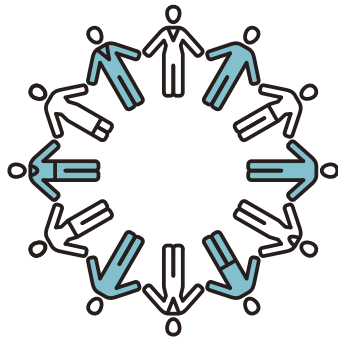


Basic Policy 1-1

Respect for Fundamental Human Rights

The Nitto Group respects human rights based on the "Basic Policy on Human Rights."

- 1 We respect the human rights and diversity.
- 2 We do not discriminate based on race, ethnicity, color, religious beliefs, gender, gender identity or expression, sexual orientation, nationality and lineage, mental or physical disability, age, health condition, marital history, or for any other reason.
- 3 Whenever we become aware of abuses of human rights, whether it is within the Nitto Group or among customers or suppliers, such as labor involving human trafficking, bonded labor, forced labor, slave labor, or child labor, we immediately report this to our superiors or a department in charge.
- 4 We respect the freedom of association, the right to organize, the right to collective bargaining, and other basic worker's rights.

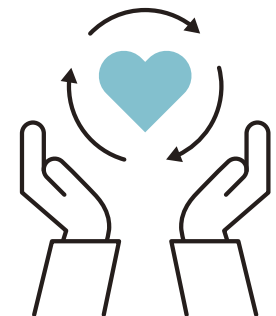


Basic Policy 1-2

Ethics and Compliance

The Nitto Group will abide by laws, regulations, and corporate rules, and act in an ethical and sincere manner.

- 1 We will abide by laws and regulations of the countries and regions with which our business is concerned, as well as our corporate rules.
- 2 We will inform the entire Nitto Group of the corporate rules that are supervised by our own department. When there are changes in laws or regulations or when a re-evaluation of the business/organization takes place, we will update the corporate rules in a timely manner.
- 3 Whenever we find it difficult to make a decision based on laws, regulations or corporate rules, we will immediately report to our superiors or a department in charge.



* "Corporate rules" means what are called policies, regulations, rules, guidelines, manuals, procedures, and standards. Since they are called differently depending on a Group company or department, please confirm rules applicable to you beforehand.

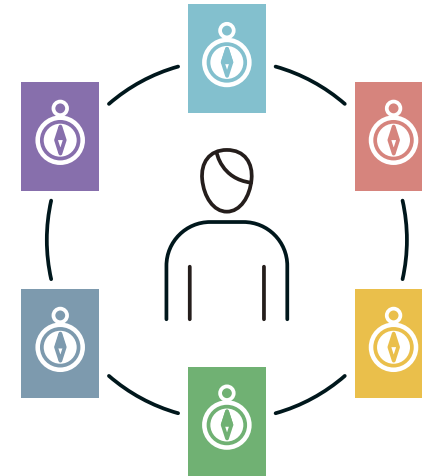
Basic Policy 1-3

Distinction between Public and Private

The Nitto Group will not tolerate use of a worker's position in the company to gain personal profits.

- 1 Before entering a business relationship with a customer or supplier for which a relative or a friend runs or works for, or employing a relative or a friend, we will consult with our superior(s) and receive approval regarding the appropriateness and scope of the involvement.
- 2 We will obtain approval before personally receiving compensation from outside sources in exchange for giving a lecture or other services, or serving as an officer or an employee of another association or organization that is related to the business.
- 3 We will not engage in solicitation for religious or political activities, or request gift giving, or lending and borrowing large amounts of money between individuals at the workplace.
- 4 We will not use corporate assets, including office supplies and expenses for personal purposes. We will not engage in excessive private conversations or personal telephone calls, or use a PC or emails for purposes unrelated to business activities.
- 5 We will not engage in insider trading or any other suspicious trading of stocks.

Column

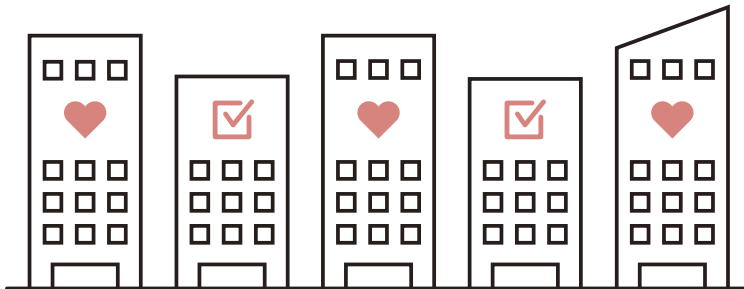


The Nitto Group Business Conduct Guidelines consist of six major chapters that all officers and employees must follow regardless of their position, job classification, or types of job. In particular, "Basic Policy" is the most basic and important standard of conduct for the Nitto Group. The other five chapters may include items that are not directly related to your work. However, the Nitto Group requests that you to practice them as a standard of behavior when you encounter situations that require your own actions.

Workplace Safety

Based on the "Basic Policy on Occupational Safety and Health" and under the belief of "Placing Safety Before Everything Else," the Nitto Group aims to reduce the number of accidents and injuries at the workplace to zero.

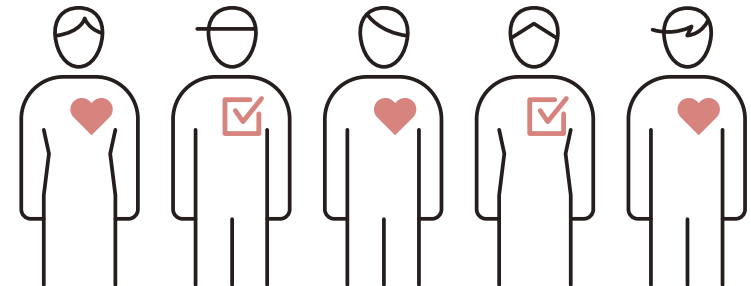
- 1** We will abide by laws and regulations and corporate rules concerned with safety control.
- 2** We will inspect our workplace for safety risks and work to mitigate any risk(s) identified.
- 3** If an accident / injury occurs, or we become aware of any safety risk, we will report this to our superiors and a department in charge.



Occupational Safety and Health

Based on the "Basic Policy on Occupational Safety and Health," the Nitto Group will build a safe and healthy workplace in which everyone can feel safe.

- 1** We will abide by laws and regulations and corporate rules concerned with industrial safety and health.
- 2** We will continue to take care of our health, including our own mental health, and will place consideration on the health of co-workers. We will not pressure others to work excessively nor force to work overtime.
- 3** We will not consume alcohol, possess or use illegal drugs / controlled substances which pose a threat to the safety of the workplace.



Customer Care

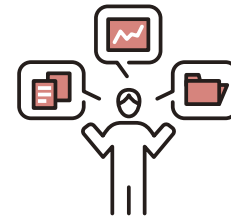
Based on the "Basic Policy on Quality," the Nitto Group will provide products and services that can deliver peace-of-mind, safety, and satisfaction to its customers.

- 1 We will abide by laws, regulations, and corporate rules concerned with the quality standards for products / services, as well as matters promised to our customers.
- 2 At every stage, from the development of products / services to their release to the market, we will check and correct for any insufficiency in quality control and product documentation.
- 3 If we find an accident or problem in relation to quality control, or a sign thereof, or if we find suspicions concerning quality control, we will immediately report this to our superiors or a department in charge.
- 4 During the entire process, from the product development stage through to the manufacturing, inspection, and shipping stages, we will not engage in falsification, alteration, or deletion of quality control data.



Topics

To provide safe and high-quality products to our customers, please pay attention to the following matters:



The details and features of products and services must be communicated accurately to customers. Various data and documents that support such details and features should be managed appropriately.



Details such as manufacturing methods and / or materials that we promised to offer customers must not be changed without their consent, even if you think "It benefits the customer."



It must be made clear that measures were taken to prevent falsification, alteration, or deletion of any quality inspection records, product performance data and the like.

Employee Care

Based on the “Basic Policy on Human Resource Management,” the Nitto Group will create workplaces in which each employee can receive a fair evaluation and work in a healthy manner.

- 1 We will abide by labor laws, employment contracts and work regulations.
- 2 We will not use labor involving human trafficking, bonded labor, forced labor, slave labor, or child labor.
- 3 We will not engage in conduct that damages the dignity of our coworkers, such as inhumane act, harassment, or unfair treatment that infringes upon their human rights.



Topics

In recent years, not only our customers but also all stakeholders have expressed increasing interest in human rights issues in workplaces and supply chains. In particular, companies are expected to actively prevent forced labor, labor involving human trafficking, bonded labor, slave labor, and child labor. When hiring, it is necessary to explain working conditions and other necessary information to candidates.

Forced labor

Forced labor means forcing workers to work against their will by means of violence, threats, debt bondage, and other means that unjustly restrain their mental or physical freedom, and to perform the type of work that is different from what they agreed upon beforehand. Customers may regard excessive overtime work (overtime that exceeds legal limits or labor agreements) as forced labor.

Labor involving human trafficking

These are cases where workers are forced to work in conditions that are controlled by others, as a result of violence, intimidation, kidnapping, fraud, or exploitation of their inferior position (including requiring repayment of exorbitant recruitment fees).

Slave labor

These are cases where workers are forced to work by stripping them of their identity certificates, or having their movement restricted without proper reason, or otherwise having their freedom taken away, or they are forced to work in conditions that are controlled by others. This includes situations in which part or all of their wages are forcibly held or saved by the employer, as well as situations where suitable wages are not paid.

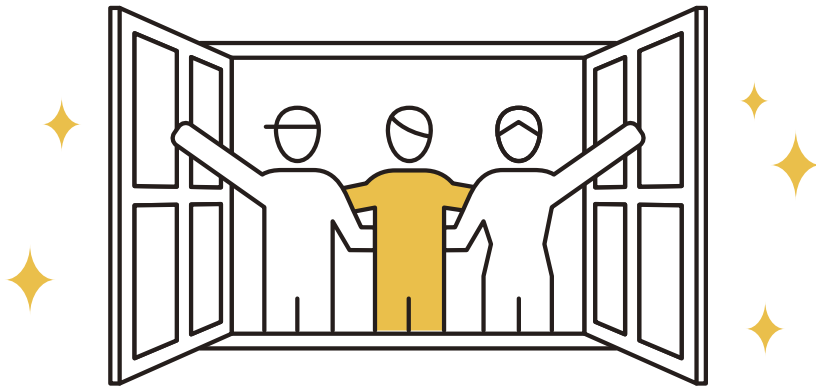
Child labor

This refers to cases where a minor is forced to work and prevented from receiving compulsory education; or those under 18 are forced to work in hazardous or toxic work environments.

Creating Safe and Open Workplaces

Based on the “Basic Policy on Human Resource Management,” the Nitto Group will create workplaces in which employees can respect and help each other.

- 1 We endeavor to provide for smooth business operations by promoting communication within the workplace.
- 2 We endeavor to create workplaces where we can realize our full potential through accepting the diverse value of each employee and respecting various viewpoints and ways of thinking.



Supplier Care

The Nitto Group procures materials produced and distributed in an environment that respects workers' human rights and takes the safety of the working environment into consideration in accordance with the “Basic Policy on Procurement.” We expect suppliers to put the “Suppliers’ Code of Conduct” into practice.

- 1 We require suppliers to respect workers' human rights, maintain safe working conditions, employ workers in accordance with labor laws, and show understanding and respect towards foreign workers, as defined in the “Suppliers’ Code of Conduct.”
- 2 We request that our business partners other than suppliers understand and respect the provisions of the “Suppliers’ Code of Conduct” when necessary.

Topics

Internationally, we see an increasing level of criticism directed towards corporations that purchase products and services produced using forced labor, child labor, etc. Not only all Group companies, but our suppliers are also prohibited from using forced labor, labor involving human trafficking, bonded labor, slave labor, and child labor. Suppliers are required to abide by laws and regulations concerned with the management of working hours and wages in relevant countries or regions and implement measures for occupational safety and health. These requests should be made not only to suppliers, but also to other business partners to the extent possible.

Environmental Care

The Nitto Group contributes to the development of a sustainable society by reducing its environmental impact in accordance with the "Basic Policy on Environment."

- 1 We will abide by laws and regulations and corporate rules concerned with the environment, thus reducing our environmental impact.
- 2 We will adhere to corporate rules concerned with the management of waste, emissions, and drainage, and minimize our impact on the environment and ecosystems.
- 3 We will work towards achieving our goals relative to energy conservation and the efficient use of electricity and fuels to reduce the amount of greenhouse gas emissions.
- 4 We will make efforts towards achieving our goals related to the conservation and reuse of water and protect water resources.
- 5 We expect suppliers to abide by environmental regulations and reduce the impact on the environment in accordance with the "Suppliers' Code of Conduct."

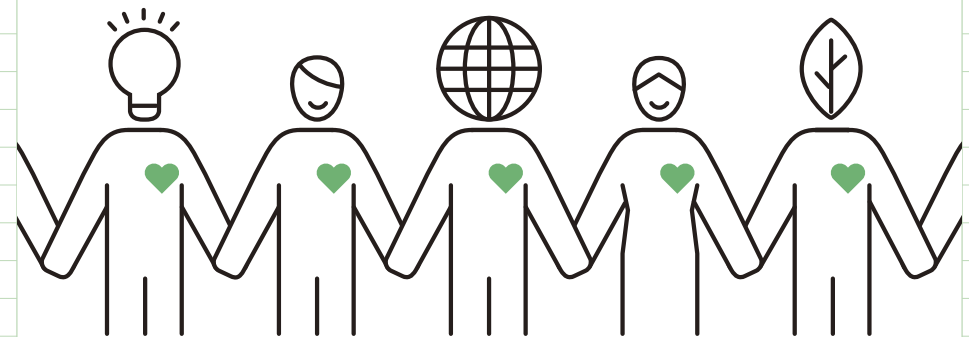
Topics

Laws and regulations concerned with the environment are very complicated, but all officers and employees are expected to understand laws and regulations that are applicable to their own business field. If you are involved in operations that produce environmental waste or emissions, or are in charge of measuring, recording, and reporting of such waste and emissions, you must adhere to the applicable environmental regulations, obtain and maintain the relevant permits and licenses.

When reporting to authorities or customers, you must do so in an accurate and exhaustive manner, covering all necessary matters.

The Nitto Group employs green procurement to produce products that comply with environmental regulations, such as items containing chemical substances. Moreover, we ask our suppliers to abide by the environmental regulations and reduce the impact on the environment as prescribed in the "Suppliers' Code of Conduct."

When you feel that the environmental laws and regulations are violated, or if you notice any attempt to conceal such illegal conduct, please contact your superiors or any of the communication channels.



Contribution to Society

The Nitto Group contributes to society through its business and thus promotes its coexistence with communities.

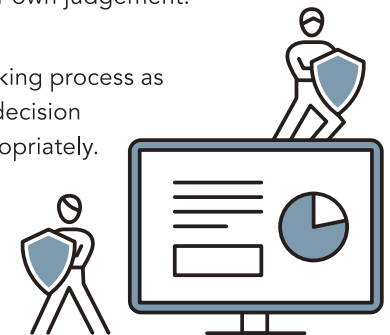
- 1** We work together with local communities and the international community to deal with issues they face and contribute to the advancement of society through our business activities, including the provision of products and services.
- 2** Whenever we offer donations, we check the attributes of the recipient, and abide by laws and regulations and corporate rules concerned with donations.
- 3** We will in no way have any involvement with antisocial forces, organized crimes, money laundering, terrorist funding, or other illegal activities.
- 4** If a disaster, epidemic, or similar event occurs, we, as a member of a community, will work together with other members of the community on recovery and reconstruction efforts.



Document and Data Control

The Nitto Group ensures appropriate management of all documents and data.

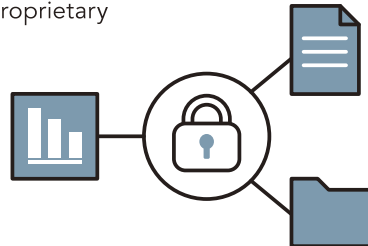
- 1** We will not create or obtain any document that could cause misunderstanding externally. Moreover, we will not obtain information through inappropriate means.
- 2** We will appropriately retain all documents and data created and obtained during the course of our business activities for the period of time required under corporate rules.
- 3** If a problem related to laws or ethics arises, we will not dispose documents or erase data under our own judgement.
- 4** We will document the decision-making process as well as the process leading to the decision and manage such documents appropriately.



Information Management and Security

Based on the "Basic Policy on Information Security," the Nitto Group ensures information security.

- 1** We will abide by the "8 Rules on Information Security."
- 2** We will perform day-to-day work, always keeping information security in mind. If a security incident occurs or suspected finding of ongoing incident or already having occurred, we will immediately report to our superiors or the department in charge.
- 3** Personal information will be managed in an appropriate manner within the scope of its purpose of use.
- 4** Upon resignation from Nitto Group, we will return all documents and data containing proprietary information of the Nitto Group.



Keyword

— 8 Rules on Information Security —

1. Officers and Employees' Obligation to Maintain Confidentiality

Indicate confidentiality classification and manage processes from creation or acquisition to disposal

2. Use of Information Devices

Use company-supplied devices with security measures

3. Use of External Storage Media

Use encrypted USB; be mindful of information breach and virus infections

4. Account Use

Use complex passwords to prevent unauthorized access

5. Network Use

Never connect your personal device to the company network; never access internet for non-business purposes

6. Use of E-mail

Encrypt confidential information; never open suspicious emails; use extra care to prevent sending an email to wrong recipients

7. Anti-Virus

Make sure that your anti-virus software is updated to the latest version

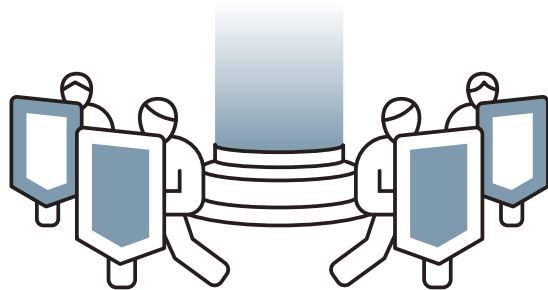
8. Security Incident Response

Report any incident immediately

Protection of Corporate Assets

The Nitto Group ensures appropriate management of all tangible and intangible corporate assets.

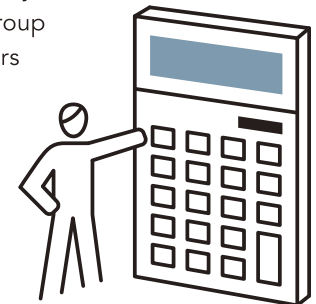
- 1 When acquiring or disposing assets, we will abide by corporate rules and obtain necessary approval.
- 2 We abide by the corporate rules regarding each type of corporate assets, and appropriately manage all tangible and intangible corporate assets.
- 3 We acknowledge that the trust placed in the company and its brand are important intangible corporate assets. We will not engage in words or actions that could cause damage to them.



Accounting Treatment and Compliance with Tax Laws

The Nitto Group will carry out appropriate accounting and tax treatment in compliance with accounting principles and standards and tax laws of all countries concerned.

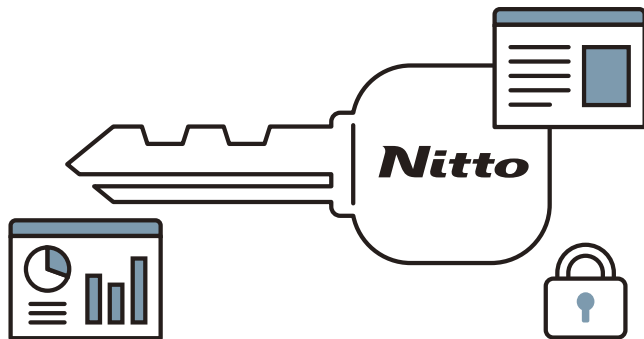
- 1 We will abide by laws and regulations and corporate rules concerned with accounting treatment.
- 2 Based on appropriate documentary evidence, we will perform proper accounting and tax treatment.
- 3 Concerning our dealings between Group companies, we will perform appropriate accounting and tax treatment based on appropriate documentary evidence that support the rationality of transaction prices, etc. When we have any doubts regarding dealings between Group companies, we will contact our superiors or in a department in charge.



Management of Intellectual Property

The Nitto Group understands the importance of intellectual property and respects our rights as well as those of others.

- 1** We manage inventions and know-how, and proprietary technical information appropriately. In particular, whenever a technical paper is to be presented and released outside the company, we make sure that it does not contain any technical information that is not in the public domain.
- 2** We make sure that we do not infringe on the intellectual property rights of others.



Anti-bribery Care

The Nitto Group secures the trust of society by prohibiting bribery, giving or receiving dishonest gains.

- 1** We will obey laws and regulations and corporate rules that prohibit bribery. Also, we will not engage in any act that could be suspected of bribery.
- 2** We will not respond to any demand for facilitation payments (small payments made with the intention of expediting an administrative process).
- 3** We will maintain a healthy relationship with our customers and will not provide dishonest profits. Also, we will not provide entertainment, gifts, travel costs, donations, or other advantages which could be perceived as bribes.
- 4** We will not accept or demand any dishonest gain from a supplier. Moreover, we will not accept entertainment, gifts, travel costs, or other advantages which could be perceived as bribes.

Topics

As business dealings become more globalized and as a result of differences in business practices or legal systems between countries, we see increasing risks of officers, employees, or companies being suspected of committing crimes unexpectedly, and thereby heavy fines and penalties being imposed on them. Therefore, it is necessary to take precautions, especially when carrying out business dealings overseas, so as not to infringe on the laws of any country involved.

Many countries are strengthening its anti-bribery laws. Such laws prohibit the bribery of politicians and government officials. However, the definition of a “government official” is being expanded to include staff working at hospitals affiliated with a public university, and executives of a corporation that receives funding from a government. In some countries, bribery is forbidden not only to those working at public institutions, but also to those working at private enterprises. In some cases, even rewards for business activities in the form of rebates are forbidden as bribes. If violating any of these, individuals can face imprisonment and / or fines, while corporations can be charged with enormous penalties or fines. Even though the Nitto Group has not directly had dealings with a government, if a trading house or agency that was employed by the Group engages in bribery, the Nitto Group may be considered to have violated the law.

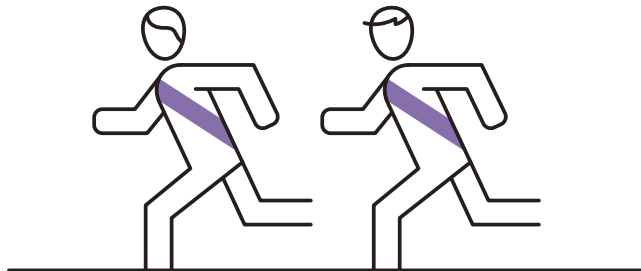
If you notice any possible violation at your workplace, immediately contact your superiors or a department in charge. It may be possible to obtain a reduction or exemption of penalties or fines, if a company shows that it has taken appropriate measures to prevent bribery, voluntarily declares its violation to the authorities, provides full cooperation in the authorities’ investigation, and takes timely and appropriate remediation measures.



Competition Care

The Nitto Group will comply with competition laws, antitrust laws of each country or region, and engage in fair business activities based on free competition.

- 1** We will not engage in unnecessary contact with competitors. When it is necessary to make such contact, we will not act in a manner that could raise suspicions of an agreement or a cartel with competitors.
- 2** We will not commit any act that would inappropriately restrict the business activities of competitors.
- 3** We will not commit any act that could obstruct fair competition when dealing with other companies.



Topics

It is prohibited to engage in discussion or reach an agreement with competitors concerning such matters as prices and sales terms of products and services, segregation of customers or markets, products' production volume, or dealings with specific clients or customers, the company's confidential information, human resources, and remuneration conditions.

It is absolutely not permissible to negotiate with competitors when submitting bids to a customer or carry out inappropriate activities in any other manner (such as involvement in collusive bidding). You must not engage in a careless business conversation not only at meetings of industrial groups, but also with your spouse, housemate (people living with you), close relatives, long-time friends who may currently be an officer or employee of a competitor or a customer of the company. Such activities could end up being illegal.

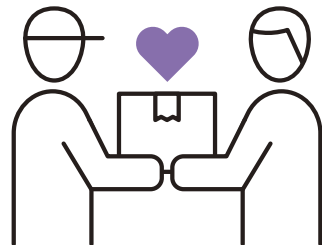
If violating any of these, individuals can face imprisonment and / or fines, while corporations can be charged with enormous penalties or fines.



Optimum Procurement

The Nitto Group will carry out procurement in a fair manner based on the "Basic Policy on Procurement."

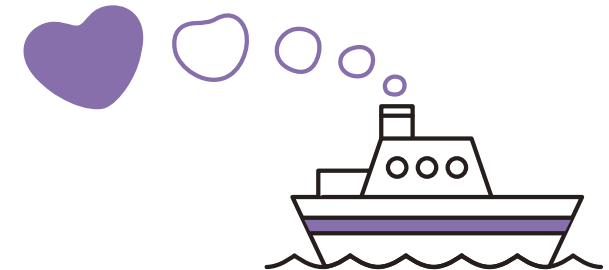
- 1 We will accurately understand the main provisions of laws and regulations concerned with procurement activities and will comply with relevant corporate rules. Also, by understanding and implementing the "Procurement Action Guidelines," we will not diverge from corporate ethics and the norms of society.
- 2 We will fairly evaluate and select suppliers.
- 3 We will not make unreasonable demands to suppliers.
- 4 We will appropriately handle information related to suppliers.



Trade and Security

The Nitto Group will observe all laws related to trade control in each country or region and will not take part in any business dealings that could interfere with international peace and security.

- 1 We will take customs clearance procedures legitimately.
We will carefully consider possible risks and regulatory changes when exporting products such as state of foreign affairs, economic sanctions, the potential for our products / services to be used in weapons and other relevant potential risks.
- 2
- 3 In order to prevent conversion of products to weapons, we will check the end-purpose and end-user at the time of export.



Information Disclosure

Based on the "Basic Policy on Disclosure," the Nitto Group will disclose information from the viewpoints of timeliness, transparency, and fairness.

- 1** We will not respond to inquiries from the media or other outside parties solely on our own judgment.
- 2** We will disclose appropriate content of information related to business to appropriate media in a timely manner only after obtaining the approval of the authorized person.
- 3** We will not publish in a personal blog or on social media, any post concerning the company's business, any opinion that could be misunderstood by the public or any entry that goes against public order and standards of decency.



Nitto Group Business Conduct Guidelines

First edition published : September, 2022

Issued by : Yasuhiro Hayashi

Vice President

Director, Legal and Compliance Division

