

ETHICAL CODE OF CONDUCT OF DAITO KASEI GROUP

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Five Daito Kasei Group companies (DAITO KASEI KOGYO CO., LTD. (Japan), DAITO KASEI EUROPE SAS(France), DAITO KASEI INDUSTRIES FRANCE SAS(France), DAITO KASEI (Shanghai) Cosmetics Science and Technology Co., Ltd. (China), DAITO KASEI ITALIA SRL(Italy), hereinafter referred to as we) complies with relevant laws and international rules, and conducts its daily business with high ethical standards.

In addition, in order to contribute to the realization of a sustainable society, we will respect international norms such as the United Nations Global Compact and ISO26000, and promote concrete activities based on the SDGs.

HUMAN RIGHTS AND DIVERSITY

We do not discriminate in employment or in the workplace on the basis of race, sex, age, language, religion, nationality, country/region of origin, illness, disability, sexual orientation, or any other irrational reason.

We comply with relevant laws and regulations, respect basic human rights, and do not engage in discrimination, abuse, child labor, or forced labor.

WORK ENVIRONMENT

We will create a safe, clean, healthy and comfortable work environment and make continuous improvements.

We will strictly deal with harassment such as sexual harassment and power harassment in the workplace and create a work environment with high psychological safety.

We give top priority to the safety of our employees and their families in the event of a disaster. We continuously conduct self-assessment to improve safety and work environment at each site.

RESPECT FOR A SUSTAINABLE SOCIETY

We formulate an environmental policy based on the following and continuously work to reduce environmental impact.

- ▶ Compliance with laws and regulations
- ▶ Reduction of environmental load
- ▶ Environmental conservation and pollution prevention
- ▶ Operation of environmental management system
- ▶ Stakeholder expectations
- ▶ Increased environmental awareness among employees

We comply with regulations and develop and supply environmentally friendly products.

We will continue to monitor and reduce emissions of carbon dioxide, which accounts for the majority of GHS gases.

FAIR BUSINESS PRACTICES

We respect our business partners and conduct fair and mutually acceptable transactions in good faith.

We comply with contracts with business partners and protect confidentiality between companies.

We prohibit all forms of bribery, embezzlement and conflicts of interest.

We comply with the tax systems of each country and pay taxes appropriately.

INFORMATION MANAGEMENT

We will properly manage confidential information and personal information to prevent damage, leakage, loss, etc.

We will manage information properly when using the Internet and social media.

We regularly work with IT experts to check security risks and ensure safety.

We will appropriately protect and manage intellectual property rights such as patents owned by our company , and will not engage in business activities that infringe copyrights or intellectual property rights owned by third parties.

ELIMINATION OF ANTI-SOCIAL FORCES

We do not have relationships with anti-social forces, which are individuals or groups that commit illegal acts such as threatening social order and safety.

If we receive unreasonable demands from anti-social forces, we will take a resolute attitude.

We will not use anti-social forces for our own gain.

BUSINESS CONTINUITY SYSTEM

We prepare a business continuity system by creating a BCP for business continuity risks due to natural disasters and infectious diseases.

DISCLOSURE OF INFORMATION

We disclose information to all stakeholders by introducing new news and posting CSR reports on our website.

SOCIAL CONTRIBUTION

We will cooperate with local communities and other companies to contribute to environmental conservation and the creation of employment in local communities.

We will interact with local communities and local governments where our offices are located, and participate in activities that contribute to the local community.

LEGAL COMPLIANCE

We comply with all laws regarding our business activities.

In addition, in order to respond quickly to changes in laws and regulations, we will respond appropriately by obtaining the cooperation of third parties in addition to our own efforts.

ACCOUNTING

We conduct audits by certified public accountants and confirmation guidance by tax accountant carry out appropriate accounting and accounting procedures.

COEXISTENCE AND MUTUAL PROSPERITY WITH BUSINESS PARTNERS AND FAIR TRADE

All of our domestic and international business partners are our good partners, and we aim for mutual prosperity and survival based on long-term relationships of trust.

In addition, we will comply with domestic and foreign laws and international guidelines with our business partners and conduct fair transactions on an equal footing.

We will comply with confidentiality obligations regarding confidential information and personal information obtained from business partners.

CONSIDERTION FOR THE ENVIRONMENT

We will conduct activities in our supply chain to provide environmentally friendly products and services by eliminating wasted resources and energy, and will conduct procurement with consideration for the global environment.

CONSIDERATION FOR HUMAN RIGHTS AND WORKING ENVIRONMENT

We will respect the human rights of our business partners and cooperate in improving the working environment and ensuring safety.

Suppliers are required to make improvements if violations of human rights, unfair discrimination, child labor or forced labor are confirmed.

NO USE OF CONFLICT MINERALS

We do not procure conflict minerals that promote human rights violations (tin, tantalum, tungsten, gold, cobalt, etc.) or raw materials containing them.

In the event that conflict minerals are included in the raw materials we purchased, we will take appropriate measures to eliminate them.