

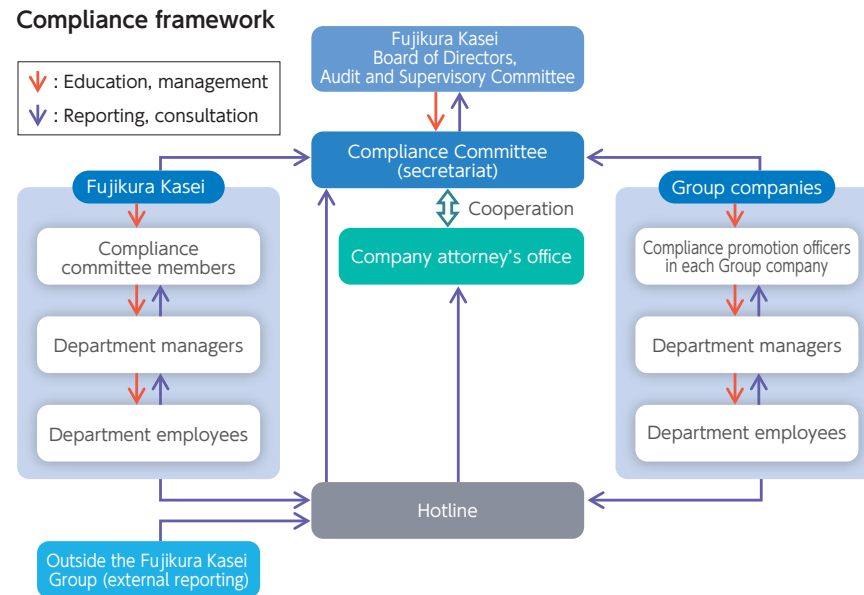
Compliance

At Fujikura Kasei, we attach great importance to compliance with laws and regulations, social norms, and corporate ethics (morale), and to employee education about compliance with these provisions. Under the management philosophy of "Taking on Challenges and Working Together - Providing the value our customers need," we strive to ensure thorough compliance across the board in our Group of companies in and outside Japan.

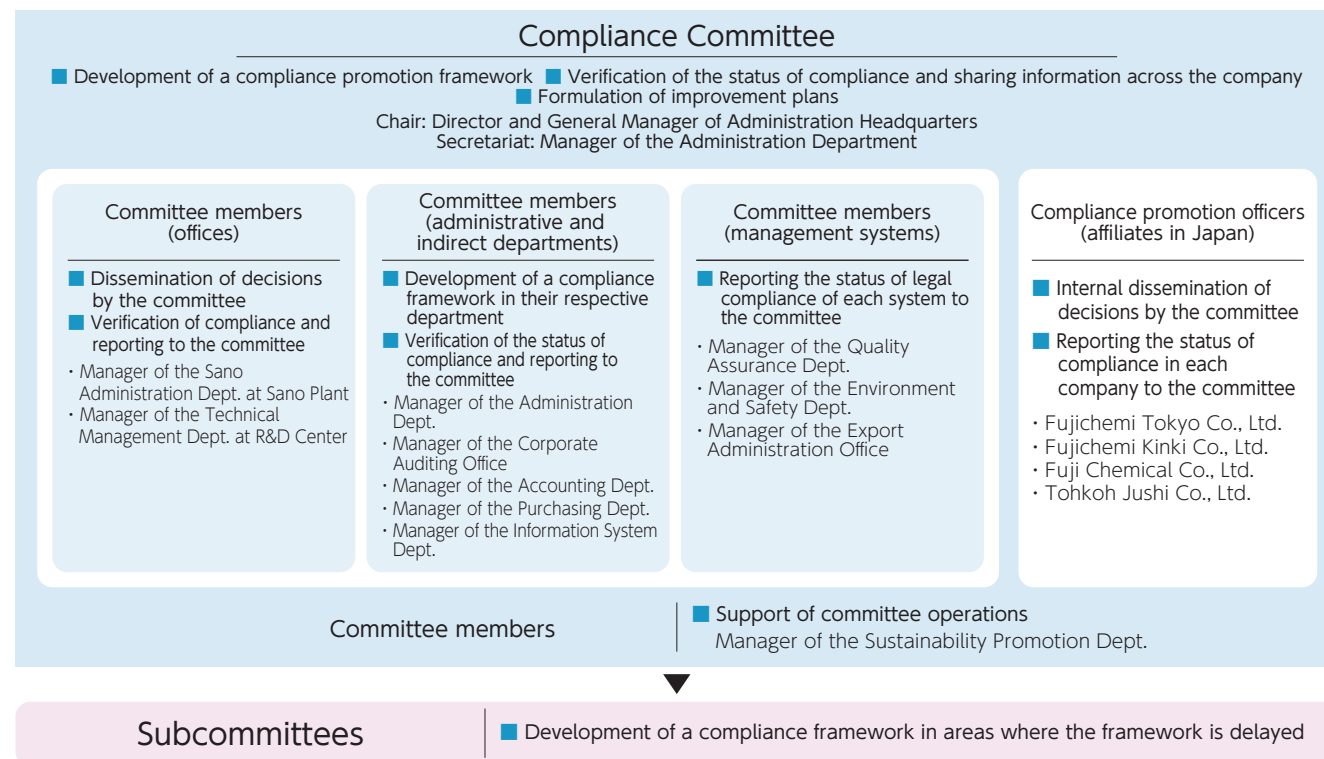
Compliance initiatives

Compliance promotion framework

To strengthen compliance across our Group, the Compliance Committee appoints compliance committee members to Fujikura Kasei and compliance promotion officers to major subsidiaries. These officers disseminate information on legal trends to members of their department or Group company, and hold study workshops for employees. We also have a Compliance Hotline (whistleblowing system) in place, so that employees who discover a wrongdoing or business activity that might be in violation of a law or regulation could report it to the Compliance Committee Secretariat or the company attorney's office without suffering any disadvantage whatsoever.



Structure and role of the Compliance Committee



Fair trade initiatives

[Fair trade and ethics policy]

Our corporate activities are made possible by our firm partnership with our business partners. As a member of society, we will steadily comply with the following provisions and engage in corporate activities with a fair and sincere attitude so that we may gain the trust of all our stakeholders.

1. Preventing Corruption

We will not engage in or be a party to bribery, excessive gifts and business entertainment, threats, or embezzlement, and will comply with this policy on a continuous basis.

2. Prohibition of unfair competition

We will neither give nor receive goods or services that have direct or indirect value for the purpose of acquiring new businesses or inappropriate advantages.

3. Proper information disclosure

We will provide or disclose accurate information so that our stakeholders can make appropriate judgment about our company, and will not make any false report regarding the information we provide/disclose.

4. Respect for intellectual property rights

We will respect not only our own intellectual property rights but also the intellectual property rights of our competitors and business partners.

5. Compliance with laws and regulations

We will comply with all laws, regulations, and social norms concerning fair competition and fair trade as we pursue fair business practices, and will not engage in cartels or other such restrictive agreements, unfair transactions, or misleading representations. We will neither make contact with anti-social forces nor slander, defame, or infringe on the rights of others.

6. Protection of whistleblowers

We will protect the confidentiality of the information we obtain via internal reports of wrongdoings and the anonymity of whistleblowers, and will eliminate any retribution against whistleblowers.

7. Responsible procurement of minerals

We will properly judge and address the use of conflict minerals in our products in line with our quality management system and chemical substance management system.

We will seek our business partners' understanding and cooperation with this policy and together strive to realize a sustainable society as good corporate citizens.

Survey of the status of CSR initiatives by our business partners

Today, the scope of social demand includes not only initiatives of our company alone but also initiatives along our entire supply chain. Therefore, we have conducted a survey of the status of CSR initiatives by our business partners. We had our business partners further their understanding of CSR activities by having them read through our various policies. These include our CSR policy, the Fujikura Kasei code of conduct, human rights policy, occupational health

and safety policy, environmental policy, energy conservation policy, fair trade and ethics policy, quality policy, chemical substance management policy, and information security policy. We also requested them to self-evaluate the status of their initiatives regarding the eight items below. We will conduct the survey again as necessary and continue our initiatives for enhancing CSR along our entire supply chain.

Survey items

CSR in general	Verify policies, codes of conduct, and promotion organizations concerning CSR and the status of initiatives to disseminate information on CSR
Human rights & labor	Verify the status of policies, frameworks, and legal compliance, and the management of risks
Health and safety	
Environment	
Fair trade & ethics	Verify policies and frameworks
Quality	
Information security	Verify policies, frameworks, and the management of risks
Social contribution	Verify the status of activities directed to the international community and regional communities

Human rights initiatives

At Fujikura Kasei, we consider respect for human rights an important foundation for business continuation and ensure it is promoted mainly via the Compliance Committee. Human rights initiatives are undertaken in line with the Japanese government's "Guidelines on Respect for Human Rights in Responsible Supply Chains" regarding initiatives expected of companies. Respect for human rights will always form the basis of our relationships with stakeholders who could be impacted by the supply chain of our business activities. We will also promote human rights to prevent any such impacts.

Responses to information security

We have formulated our information security policy and information security education document based on the awareness that it is essential to take measures against information risks. The Information Security Subcommittee is responsible for promoting information security compliance. It is a company-wide cross-cutting organization led by the chairperson (director) of the Compliance Committee and composed of the general manager of the Information Systems Department and management-level members from the management and business departments in each site. In line with the guidelines of industrial organizations with which our business partners are affiliated, in addition to other social requirements, the subcommittee revises the company's information security education documents and otherwise engages in strengthening compliance.