

# LOGISTEED Group Code of Conduct

April 1, 2023  
LOGISTEED Group

# Table of Contents

1. Basic Policy on Conduct
2. Compliance with Competition Law
3. Prohibition of Bribery
4. Conflict of Interest
5. Environment
6. Industrial Safety and Health
7. Establishment of the Working Environment
8. Insider Trading
9. Information Security
10. Intellectual Property
11. Privacy
12. Compliance with Laws and Regulations Regarding Import and Export
13. Political Contributions, Lobbying Activities
14. Money Laundering
15. Procurement
16. Integrity of Records and Reports
17. Document Management
18. Handling of Company Assets
19. Relationships with Customers
20. Refusal of Relations with Anti-Social Forces
21. Internal Reporting
22. Crisis Management
23. Responsibility of Top Management

## Introduction

Observance of laws and regulations is the basic requirement of compliance. However, observance of laws and regulations is the minimum requirement; in order to be accepted by the general public a company is expected to go beyond simple observance of laws and regulations and conduct business in accordance with social conventions. In other words, it is necessary to bring high ethical standards to the conduction of corporate activities.

Each one of us in the LOGISTEED Group needs to recognize that just one violation of laws and regulations we must comply with can mean the instant loss of the general public's confidence in the entire LOGISTEED Group, and as such it is imperative that we conduct business honestly and fairly.

This Code of Conduct specifies how each of us should act in the Group's corporate activities based on the "Conduct Policy" established to put the "Management Principles" and the "Management Vision" of the company into concrete shape.

You are requested to gain a good understanding of the content of the Code of Conduct and act in accordance with it so that the LOGISTEED Group can continue to enjoy the trust and confidence of the general public.

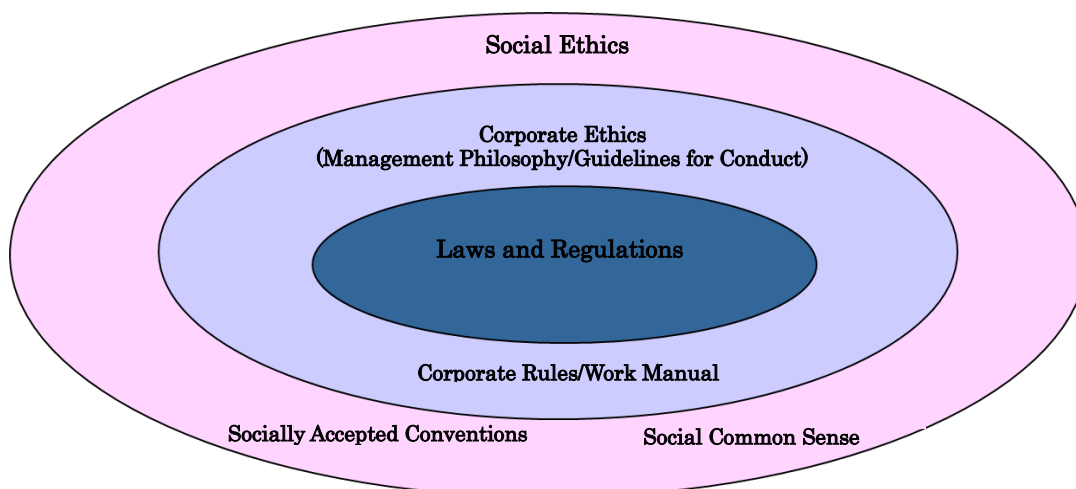
\*1 : Management Principles : " LOGISTEED Group delivers high-quality services that will help  
Make the world a better place for people and nature for  
generations to come."

\*2 : Management Vision : "The Most Preferred Global Supply Chain Solutions Provider."

If you are unsure about what the right course of action is, ask yourself the following questions.

- Is the action legal?
- Does the action violate the Code of Conduct or corporate rules and regulations?
- If you take the action, can you talk about it confidently with third parties and competent authorities?
- If you take the action, can you talk about it confidently with family and friends?
- Would there be no problem if the action were to be reported in mass media?

Diagram 1: Conceptual Diagram of Compliance



# 1. Basic Policy on Conduct

All LOGISTEED Group employees must understand the LOGISTEED Group Human Rights Policy as the Group's paramount guidelines on respecting human rights, and pledge to conduct themselves in accordance with this Code of Conduct. Any employee discovering a deviation from this Code of Conduct is required to promptly report the incident either to their supervisor or through the internal reporting system.

## (1) Respect for Human Rights

- 1) Do not discriminate based on age, gender, disability, nationality, ethnicity, religion, race, skin color, creed, marital status, sexual orientation, gender identity, union membership, etc.  
Respect the culture and customs of each country and each region, and show respect for human rights such as equality and dignity. Endeavor to act with sincerity and fairness.
- 2) Eradicate child labor, and do not force compulsory labor<sup>\*3</sup>.
- 3) Do not engage in or tolerate any form of psychological, sexual, or physical harassment in the workplace or any other type of coercion or abuse that disregards an individual's wishes.
- 4) Ensure appropriate working conditions by complying with minimum wage guarantees, working hour limitations, and equal pay for equal work as stipulated by the laws and regulations of each country and region.
- 5) Endeavor to jointly resolve issues through authentic and constructive dialogue between management executives and employees based on human rights-related international norms, while acting in accordance with the working condition-related laws, regulations, and labor practices of each country and region.
- 6) Understand the potential for human rights violations in advance, establish systems to prevent them, and conduct appropriate human rights due diligence according to the social background in countries and regions where business is conducted and the characteristics of businesses, products and services.

<sup>\*3</sup>: Compulsory labor: Forcing people to work against their will by means of assault, intimidation, confinement, or other unreasonable restraints on mental or physical freedom.

## (\*) Specific examples of prohibited conduct

- 1) Discriminatory recruitment and treatment of employees based on gender, nationality, race, ethnicity, religion, creed, skin color, or political ideology, etc.
- 2) Causing children under the age of 15 (under the age of 14 in developing countries) as defined by international conventions--in other words, children of the age prescribed by laws to have the right to receive compulsory education--perform the same work as adults.
- 3) Assigning children under the age of 18 any dangerous or harmful work that is injurious to health, safety, or morals, or that hinders sound mental and physical growth (for example, work that subjects the worker to physical or mental abuse; work performed in mines, underwater, or in dangerous high or enclosed places; work that involves use of dangerous machines; work that involves use of chemical substances or is performed in high-temperature or noisy workplaces; work that involves long working hours; night work; work that places unreasonable constraints on the worker, etc.).
- 4) Use of children under the age of 18 for purposes of forced or compulsory labor,

bonded labor, work in the nature of serfdom, soldiering in conflicts (forced conscription), human trafficking, prostitution, pornography, or sale of illegal drugs, etc.

- 5) Compelling workers to work against their will by means of violence, intimidation, confinement, or other unjust restraint on mental or physical freedom.
- 6) Use of or engagement in sexually related language or acts (asking about sexual relationships, purposely spreading information of a sexual nature, etc.) or sexual behavior (forcing sexual relations, unnecessary physical touching, spreading of obscene pictures, etc.) against the will of the other person in a manner unpleasant or uncomfortable for that person, or to tolerate such language, acts or behavior.
- 7) Abuse of positions of authority beyond ordinary course of work to continually use or engage in language or acts that infringe a person's character or dignity, deteriorate work relationships, or cause anxiety over the possibility of losing one's employment, or to tolerate such situation.
- 8) Engaging in or tolerating any harassment against a female worker who is pregnant, such as compelling to retire, withholding work assignment, or assigning unreasonably hard work.
- 9) Engaging in or tolerating any harassment (continual verbal abuse or abusive behavior) that are injurious to the other person.
- 10) Discriminating a person on the basis of gender and annoying that person by using or engaging in any language or act that emphasizes stereotypical male and female roles.
- 11) Impeding the freedom of association of workers and the exercise of the right to collective bargaining.

<Provisions 2), 3), 4), 5), 11) above are included in conventions of the ILO (International Labour Organization).>

In the event a human rights violation occurs, promptly rectify it and provide redress through the appropriate procedures inside and outside the company.

## (2) Compliance with Laws, Regulations, and Rules

- 1) In the execution of business by the company and its employees, comply with the provisions and spirit of laws and regulations that are applicable in the countries in which business activities are conducted.
- 2) Endeavor to fully respect international norms expected of a global company in countries and regions where the establishment and enforcement of laws may be inadequate.
- 3) Comply with the rules and regulations established by the company.

## (\*) Specific Examples of Prohibited Conduct

- 1) Engaging in any business that requires authorization from competent authorities without obtaining such authorization.
- 2) Engaging in acts that are prohibited in the conduct of business.
- 3) Engaging in any business that requires personal qualification when you do not hold such qualification.
- 4) Engaging in acts that violate the company's work regulations and rules.
- 5) Forming an agreement with other companies that is not in accord with the

company's approved standards and procedures.

(3) Focus on the Importance of Our Relationship with Society

In the business continuity efforts, it is necessary for a company to maintain good relationships with diverse stakeholders including employees, customers, business connections, suppliers, shareholders, local communities, and municipal governments and central administrative organs it is involved with in the course of company management.

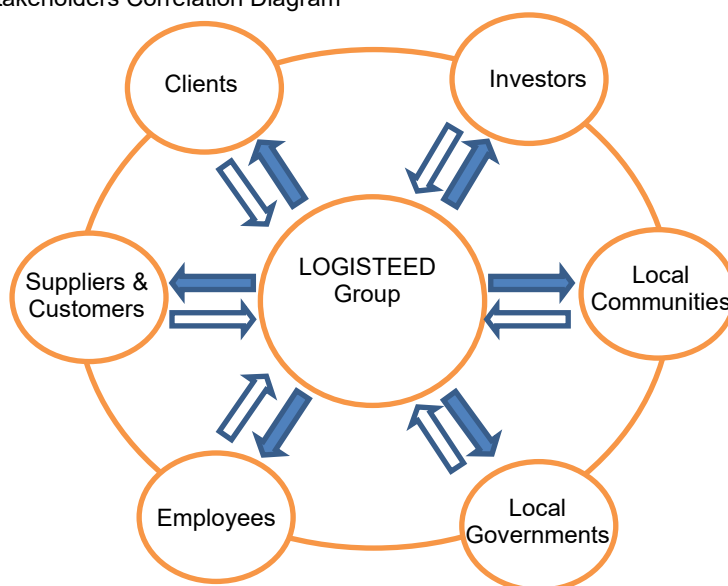
To achieve this, a company must, of course, pay taxes and comply with laws and regulations, and also provide safe and reliable services, respect human rights, promote fair business activities, strive for increasingly sound corporate governance, and undertake activities to protect the environment. In addition, in the course of its business activities in various regions, a company must also make efforts to contribute to the region through local recruitment and local procurement, and to work in harmony with the local community. Company management must not pursue only business profit; companies are also expected to fulfill their corporate social responsibility (CSR).

Companies that conscientiously practice CSR are trusted by the public, and their employees can approach their work with a sense of purpose and mission, confident that they are meeting the expectations of the public, and proudly introduce the company they work for and the work they do to their own family.

The business activities of the LOGISTEED Group must be carried out with a continuing emphasis on the importance of our relationship with society.

Furthermore, along with endeavoring to develop technologies and provide services that contribute to the advancement of society, it is also necessary to endeavor to correctly recognize and utilize operations and the impact these technologies and services have on society.

Diagram 2: Stakeholders Correlation Diagram



\* Respect for the Corporate Brand

The source of a company's brand power and the key for enhancing it is that every person working for the company engages in business activities with pride and a sense of unity. If the company does not comply with laws and regulations and fulfill its responsibility to society in accordance with the spirit of respect for human rights, its employees naturally will not be able to take pride in the company. When employees can be proud of their company, working there is a pleasure and this attitude on the part of each employee is conveyed to the company's business connections and other stakeholders and further enhances the corporate brand.

With the awareness that each of us underpins the corporate brand, let's move forward to further enhance the LOGISTEED Group brand and continue to be a company that all of us can take pride in.

## 2. Compliance with Competition Law

Laws formulated with the objective of achieving free and fair competition in the marketplace are generally called competition laws. In response to economic globalization and market-oriented economic reform, enactment of competition law is moving forward and the number of countries and regions with a competition law is increasing. We must not engage in any act that violates competition laws of any country for whatever reason, be it for successful conclusion of business negotiations, achievement of profit goals, or the direction of a supervisor. Even an act done in one's own country may be subject to penalty by extraterritorial application of the laws of other countries if it has an effect in other countries.

The LOGISTEED Group does not tolerate any act that violates the competition laws of other countries.

### (Conduct Required)

- 1) Conduct fair and transparent business dealings with all business connections.
- 2) Whenever coming into contact with competitor companies intending to engage in prohibited anti-competitive activities, always refuse to become involved in such activities.
- 3) In the course of meetings and consultations with competitor companies, if you feel that any of the content of discussions risks constituting a prohibited activity (activities described in \*2) below), immediately terminate the meeting, leave the meeting venue, and record the content of the discussions.
- 4) During meetings of trade associations, if member companies engage in any activity that constitutes or is liable to constitute an anti-competition activity (activities described in \*2) below), either express opposition to the activity or immediately leave the meeting venue and record the content of the activity.

### (\*) Examples of competition law violations

- 1) Making consensus and agreements between or among competitor companies that hinder fair competition.
- 2) Disclosing any confidential information that can impact markets (including information regarding prices, bidding, price reductions, terms of agreements, costs, profit, and other trade secrets that give companies a competitive advantage) to competitor companies.
- 3) Participating in an arrangement for adjustment of orders placed by government agencies.
- 4) Participating in bids for work orders that you do not intend to receive, at the request of other companies, or inducing other companies to participate in bids for work orders they do not intend to receive.
- 5) Setting discriminatory prices that give particular business operators an advantage.
- 6) Dividing up markets and customers with competitor companies.



\* What is a cartel?

A cartel is a group of business operators (including business cooperatives) that communicate with each other to jointly set matters including types of products produced, product prices, and sales and production amounts that rightfully should be decided by each business operator independently.

\* Main types of cartels

Price fixing	A type of cartel in which the participating competitor companies discuss and set prices to wrongfully obtain higher profit.
Output restrictions	A type of cartel in which the participating companies reduce manpower or facility operating time, etc. to adjust production and sales amounts.
Market allocation	A type of cartel in which participating companies decide in advance the regions in which and companies with whom they will do business.

\* What is extraterritorial application of competition law

Extraterritorial application of competition law means to apply the competition law of one's own country to acts carried out in foreign countries that have the effect of restricting market competition in one's own country (for example, application of the competition law of one's own country against a foreign exporter of a product imported by one's own country for participating in a price cartel).

### 3. Prohibition of Bribery

Countries around the world are moving in the direction of establishing strict penalties for crimes of bribery.

If government officials, etc. accept, demand, or promise to accept a bribe in connection with their work duties, this constitutes the crime of accepting a bribe. If you give, offer, or promise to give a bribe, this constitutes the crime of giving a bribe. A bribe does not have to be in the form of money; if it is something that confers benefit to the receiver then it constitutes a bribe. Furthermore, it could constitute a bribe even if it is given in connection with legitimate work activities. There are also some countries in which private citizens can be subject to penalties for giving and accepting bribes in connection with transactions.

The LOGISTEED Group does not tolerate any act of bribery.

(Conduct required)

- 1) Refrain from offering, promising to give, or giving a bribe to a government official directly or indirectly in the form of special treatment that influences actions and decisions or confers personal benefit for the purpose of acquiring or maintaining work orders for whatever reason or purpose. This also basically applies to bribery of private citizens, so you must be fully aware of and comply with the regulations of each country when making decisions in such matters.
- 2) Have zero-tolerance for bribery, including the act of offering, promising, or providing bribes to government officials, etc. by business connections and agents in regard to the business of the LOGISTEED Group.
- 3) Keep business-related gifts and entertainment within a reasonable range that is in accordance with local customs and practices, and avoid gifts and entertainment that are excessive or inappropriate.
- 4) Avoid engaging in any act that can be construed as bribery from the viewpoint of third parties.
- 5) Avoid making small-sum payments for the purpose of facilitating procedures in connection with government services (facilitation payments). (Excluding, however, when refusing a request for payment could result in loss of life, injury, or infringements of freedom. In such case, payments must be properly accounted for, accurately recorded and preserved, and reported to the department in charge of compliance.)
- 6) When entering into agreements with business connections, in accordance with company regulations and rules, prior to concluding an agreement, be sure to examine the business connection's degree of social credibility, its relationships with public officials, and the legality and appropriateness of the terms of the agreement.

\* Specific examples of bribery (excerpted from "Guidelines for the Prevention of Bribery of Foreign Public Officials" (Ministry of Economy, Trade and Industry: Japan))

- 1) Provision of a sports car, etc. to a foreign public officials, etc.
- 2) Frequent provision of gifts to foreign public officials, etc., even if such gifts are inexpensive.
- 3) Gifts of coupons or gift certificates that are cash equivalents, or easily convertible to cash, to foreign public officials, etc.
- 4) Priority hiring by group companies of family members of foreign public officials, etc.
- 5) Invitation of the families of foreign public officials to a resort area with little connection with the company's products and services.
- 6) Appointment of a company with connection to a foreign public official as the company's agent or consultant.
- 7) Payments made immediately prior to bidding regardless of the price or economic value of the physical object paid for.

\* Foreign public officials are governed by the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions; transactions between private individuals or entities are governed by the respective laws and regulations of each country.

## 4. Conflict of Interest

Conflict of interest occurs when the obligations and interests related to duties performed by an individual conflict with the individual's personal interests. If you sacrifice the interests of the company to conduct transactions in the aim to obtain benefit for yourself or third parties, such conflict of interest transactions may damage the company. Even if it only appears that acts where there is a conflict of interest are being committed, this may cause the company to lose the public's trust. Avoid use of an individual's position in the company for personal benefit that may generate conflicts of interest arising in the relationship between the individual and work duties. Each employee's conduct must always aim for the best interests of the LOGISTEED Group.

(Conduct required)

- 1) When there is the possibility of a conflict of interest, disclose all of the circumstances to the company and promptly take all measures to resolve the conflict of interest if required to do so by the company.

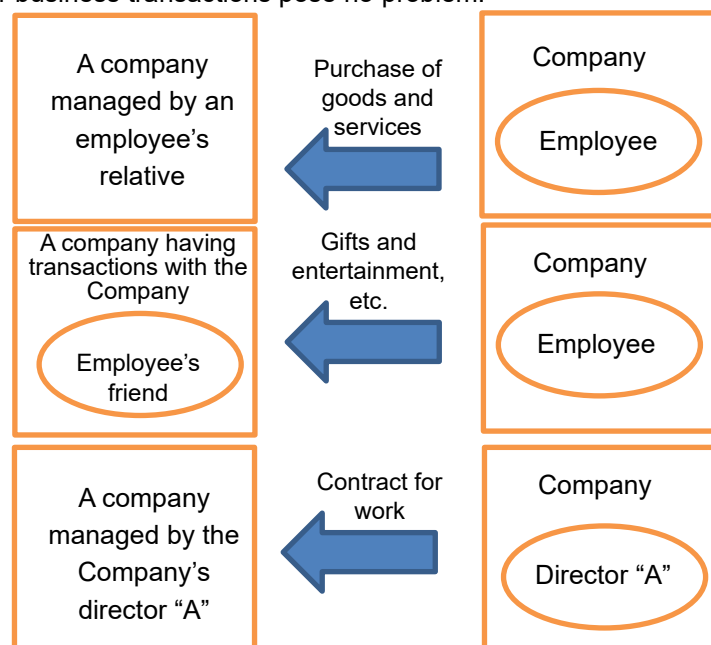
(\*) Specific examples of prohibited conduct

- 1) Providing a company director with gifts or loans from the company without authorization from the company.
- 2) Buying and selling between company directors and the company.
- 3) Placing an order at higher than normal prices with companies where your friends or relatives work.

◆ Examples of suspected conflict of interest

(Transactions conducted in the aim of obtaining benefit for yourself or third parties that sacrifice the interests of the company)

\* Proper business transactions pose no problem.



\* Regulations governing transactions that may cause conflict of interest are not applicable to transactions between a parent and its wholly-owned subsidiary (a relationship under which a company holds 100% of the shares of its affiliate either directly or indirectly) because the parent and its wholly-owned subsidiary have the same shareholder(s) in common in effect.

## 5. Environment

Global warming and a variety of other environmental issues are increasing in severity and resolution of global-scale environmental issues poses major challenges for society. Corporate activities have a major impact on the global environment. As a member of the global community, the LOGISTEED Group has an obligation to make every effort to reduce the environmental load of greenhouse gases, waste, and hazardous chemical substances, etc. In view of this obligation, addressing environmental issues becomes an extremely important element of corporate management. Bringing corporate activities into harmony with environmental needs is one of the challenges we must give top priority to.

(Conduct required)

◆ Compliance with laws and regulations

Make every effort to protect the environment by complying with applicable laws and regulations, ordinances, and rules regarding the environment in Japan and all other countries and, when necessary, set self-imposed standards that exceed the provisions of such laws, etc.

◆ (Environmental Cooperation)

Always keep in mind environmental responsibility in carrying out daily work activities. Also, be aware that global environmental issues are challenges shared by all mankind as well as human rights issues for local residents; work in cooperation with local communities, government agencies, customers, business connections, and all other stakeholders in the LOGISTEED Group to address environmental issues.

◆ (Reduction of environmental load)

Promote the following activities with the aim of reducing environmental load, preventing air, water, and other environmental pollution, and preserving the ecosystem.

- 1) Activities that conserve energy and electrical power, introduction of energy-efficient equipment to reduce carbon dioxide and other greenhouse gases.
- 2) Eco-driving, introduction of eco-friendly vehicles to reduce carbon dioxide and other greenhouse gases and harmful exhaust gas.
- 3) Reduction, reuse, and recycling of waste materials to promote resource recycling.
- 4) Reduction of the quantity of water and paper used to promote effective use of resources.
- 5) Appropriate maintenance of vehicles and environment-related facilities such as water and oil separators to prevent water pollution and other types of pollution caused by oil leakage.
- 6) Development and proliferation of logistics services with low environmental load.

What are the 3Rs?

3Rs: Reduce, Reuse, and Recycle

- Reduce: Use products and materials wisely to promote waste reduction.  
Example: Don't buy or receive things you don't need.
- Reuse: Reuse things as many times as possible.  
Example: Give things no longer needed to other people who can use them.
- Recycle: Recycle waste as a resource.  
Example: Correctly separate waste materials.  
Use products made from recycled waste.

## 6. Industrial Safety and Health

Companies are required to appropriately manage and implement activities to ensure industrial safety and health. The LOGISTEED Group too must proactively implement measures to ensure the safety of its employees and workplaces as well as the mental and physical health of its employees and their families, and to maintain high standards of safety and health.

### (Conduct required)

- 1) Promote safety and health activities initiated by managers in which employees participate.
- 2) Comply with all applicable laws, regulations, and rules regarding occupational safety and health.
- 3) Create and maintain safety workplace environments to prevent the occurrence of industrial accidents.
- 4) Act in conformance with rules for workplace safety and work standards.
- 5) Provide safety and health instruction and direction in the aim to eliminate unsafe work areas.
- 6) Undertake measures and activities to maintain and promote the health of employees and create workplace environments that facilitate performance of work duties.

### (Specific requirements for compliance)

- 1) Call attention verbally to the move of vehicles during driving operations and use the pointing and calling method when operating forklifts.
- 2) Wear safety equipment (safety helmet, safety shoes, gloves, safety goggles, etc.) in compliance with relevant laws and regulations and company rules.
- 3) Implement 5S activities in your work area for the tools and machinery you use and in passageways.
- 4) Hold meetings before beginning work to inform employees of work procedures and methods and inherent risks.
- 5) Implement risk management for work environments, methods, and content.

### (\*) Specific examples of prohibited conduct

- 1) Violation of speed limits, overloading, driving while intoxicated and overworked driving, driving without a license, and other violations of laws and regulations.
- 2) Performing work in unsafe conditions (protruding loads, etc.), and engaging in unsafe actions (running in passageways and on stairways, etc.).

### ◆ Safety basics

5S : < Seiri > Keeping order

< seiton > Staying organized

< seisou > Keeping things clean

< seiketsu > Keeping things neat

< sitstuke > Maintaining Discipline

3Tei : < Tei > Decide where things belong

< Teihinn > Decide on what Product

< teiryō > Decide on Quantity

## 7. Establishment of the Working Environment

Companies must endeavor to create a workplace in which each employee can work with satisfaction, fulfillment and motivation to realize sustained growth as an organization and as individuals through the realization of flexible work styles and the respect of diverse values.

Furthermore, companies are required to make the necessary investments in education such as for skill development to enable employees to fully demonstrate their abilities. In addition, employees must constantly strive to achieve self-improvement, and superiors must provide fair and appropriate management, guidance and development to subordinates in an effort to improve their skills.

(Conduct required)

- 1) Create a day-to-day workplace culture and systems, provide ample communication, and realize work styles in consideration of the work-life balance of employees.
- 2) Utilize systems for balancing work with childcare and family care.
- 3) Utilize internal training systems

## 8. Insider Trading

Insider trading means the act of trading company shares by persons in a position to access a company's internal information who use their position to obtain confidential information that can impact markets and trade company shares based on such information before it is made public. Insider trading puts general investors unaware of such information at a disadvantage and results in loss of investor confidence.

(Conduct required)

- 1) Comply with all applicable laws and regulations and company regulations regarding insider trading.
- 2) If you possess any important and undisclosed information of other companies, refrain from buying or selling the shares of the companies concerned.
- 3) Refrain from disclosing any material facts that can impact markets to other persons without prior approval by the company concerned.
- 4) If you obtain any material facts, refrain from disclosing the information to a third party (including family members, friends, and acquaintances), or persons within the company other than those concerned.
- 5) If you obtain any material facts, refrain from recommending or suggesting to a third party (including family members, friends, and acquaintances) that they buy or sell the company's shares.

\*Examples of material facts that can impact markets

- Plans for corporate acquisition or merger
- Plans for business sell-offs
- Figures of financial results and financial projections before they are announced to the public
- Gains and losses of important contract agreements before public announcement
- Progress of major projects

## 9. Information Security

The LOGISTEED Group handles a variety of important information (hereinafter, confidential information) including distribution-related information entrusted by customers, business management information, personal information, and technical information. The confidential information held by the LOGISTEED Group is utilized to differentiate our business from those of competitor companies and increase our competitive power. If such information is leaked, it not only threatens our business status; the company can also suffer serious loss that endangers its existence. This is why LOGISTEED makes every effort to protect confidential information by establishing an information management system that is strictly implemented throughout the HTS Group.

### (Conduct required)

- 1) Comply with laws and regulations and other standards regarding information security.
- 2) Formulate information security rules in conformance with laws and regulations and endeavor to ensure strict compliance throughout the LOGISTEED Group.
- 3) Create an information security management system implemented throughout the LOGISTEED Group, and implement, maintain, and continually improve organizational, individual, physical, and technical safety control measures.
- 4) Foster a corporate culture in which awareness and knowledge regarding information security is spread throughout every workplace in the LOGISTEED Group.
- 5) Take appropriate measures to protect the information assets of the LOGISTEED Group from the risks of loss, leakage, unauthorized access, alteration, and destruction, etc.
- 6) Endeavor to prevent information security accidents. In the unlikely event that such an accident occurs, promptly report it and take appropriate measures to handle the situation including measures to prevent recurrence.
- 7) In outsourcing information handling to outside parties, form agreements that provide security measures and direct contractors to strictly comply with the measures.

### (\*) Specific requirements for compliance

- 1) As a rule, confidential information must not be taken outside the company. Always obtain approval from a supervisor when business considerations make it necessary to take confidential information outside the company.
- 2) When taking computers outside the company, set a password to access the hard disk or encrypt the contents. Also set a password or encrypt the contents of external recording media on which confidential information is saved.
- 3) When sending e-mail, prevent mistaken transmission by always confirming the e-mail addresses of receivers and any files attached, and do not attach files to addresses other than those necessary. When attaching confidential information to e-mail, set a protective password according to the level of importance.
- 4) Do not browse or write comments in Web sites that are unrelated to business. Never write comments with information regarding company business in social media.
- 5) Do not open file attachments or URLs in suspicious e-mail. If you open such files, immediately disconnect the computer from the network and report the incident to a supervisor.
- 6) Take sufficient care in handling documents that include confidential information so that they cannot be lost or stolen.
- 7) When information leaks and security leaks (theft and loss of computers and other information processing equipment and confidential data, and mistaken e-mail transmission) occur, immediately report such incidents to a supervisor.
- 8) When installing software on company computers and other devices, submit a request to the company for approval to do so and do not install software on your own initiative.



## 10. Intellectual Property

Ideas and creations produced by human intellectual activities have property value. These ideas and creations are collectively referred to as intellectual property. Intellectual properties include patents, designs, trademarks, copyrights, and other intellectual property rights, as well as trade secrets, information, and data. As industries become progressively more digitalized, derived data obtained through processing original data as well as knowledge (expertise) obtained through analyses are also considered important intellectual properties in business activities.

Intellectual property belonging to a third party must be appropriately handled and protected in accordance with laws, regulations, and agreements. We must also recognize that our own intellectual properties are important management resources, and take actions to protect and enhance their value.

### (Conduct required)

- 1) Respect the intellectual properties belonging to third parties, and do not use without permission.
- 2) When obtaining the confidential information of third parties in the course of business activities, verify the appropriateness of both the content and the method.
- 3) Comply with laws, regulations, terms of agreements, and company regulations when using or disclosing intellectual properties.
- 4) Discuss any matters you are unsure of regarding the handling of intellectual properties, data, etc., with the business unit in charge of intellectual properties.
- 5) Manage trade secrets in a manner that meets the three requirements of “secrecy management,” “usefulness,” and “non-public domain.”
- 6) Recognize that the company’s knowledge and experience contain intellectual properties and expertise, and strive to protect them.
- 7) Report any invention, etc., you have made in connection with your work to the business unit in charge of intellectual properties.
- 8) Recognize that the LOGISTEED brand is an important management resource and strive to enhance its value.

### (\*) Specific examples of infringement

- 1) Reprinting documents, maps, images, photographs, etc., taken from websites for use in internal materials without permission.
- 2) Reproducing a third party’s copyrighted material without permission and distributing it within the company.
- 3) Fraudulently obtaining a third party’s confidential information.
- 4) Disclosing or publishing the company’s confidential information<sup>\*4</sup> to a third party without obtaining approval from the company.
- 5) Disclosing the company’s confidential information to another party without first concluding a non-disclosure agreement.

<sup>\*4</sup> Confidential information: Confidential documents including but not limited to design drawings, manufacturing instructions, purchase instructions, system requirement definition documents, site management documents, cost management documents, customer directories, business plans, etc.

## 11. Privacy

The LOGISTEED Group retains a variety of information other than employee information, including personal information entrusted by customers and obtained from business connections.

When information is leaked due to the company's neglect of personal information protection and inappropriate information management, the company suffers major damage including compensation for damage, and loss of trust and confidence of the public in the company.

This is why the company must respect the privacy of individuals and appropriately manage the personal information handled by the company.

### (Conduct required)

- 1) Establish company rules and regulations in accordance with the laws and regulations of the local country regarding the protection of personal information and privacy, and create, steadily implement, and continually improve management systems for the appropriate use and protection of personal information.
- 2) Collect personal information via lawful and fair means, and obtain the understanding and consent of the owner of the personal information (hereinafter "the data subject") as necessary.
- 3) Ensure that personal information is accurate, complete, and up-to-date to the extent necessary for the purposes for which it is to be used.
- 4) Clarify the purpose of collecting personal information at the time of collection, and limit the use of the personal information collected to within the scope necessary to achieve the purpose for which it was collected.
- 5) Do not disclose, provide, or otherwise use personal information for purposes other than those specified in accordance with the preceding item, unless a) the data subject has consented or b) it is required by law.
- 6) Protect personal information from risks such as loss, unauthorized access, destruction, use, modification, or disclosure by implementing reasonable security measures, and in the event of an incident, promptly issue a report and take the appropriate measures, including measures to prevent recurrence.
- 7) Make every effort to publicize the company's policies and practices regarding the protection of personal information and privacy in a manner that is easy for data subjects to understand.
- 8) Respect data subjects' right to privacy, and managers in charge of handling personal information (hereinafter "data managers") must handle all matters in good faith.
- 9) Foster a corporate culture in which all employees in all workplaces possess knowledge and awareness regarding the protection of personal information and privacy.

### (\*) Specific requirements for compliance

- 1) Do not use personal information retained by the company for personal objectives.
- 2) Do not sell or provide to third parties the personal information retained by the company without permission.
- 3) Information related to individual privacy (documents and electronic data) must be handled with care as follows.
  - Do not throw away documents containing personal information in garbage bins.

- Always check the addresses of receivers before transmitting e-mail and faxes.
  - Take measures to prevent information leakage and loss of computers, mobile phones, smartphones, and tablet computers, etc. that contain personal information.
- 4) Do not post information related to individual privacy and images that infringe portrait rights on SNS (social networking services).
  - 5) Form contractual agreements with contractors to whom personal information management is outsourced that stipulate matters for compliance regarding protection of confidential information and privacy, and confirm the state of security control implemented by the contractor as necessary.

\* What is personal information?

- Information regarding an individual that can be used to identify the individual.  
(Including personal images and physical characteristics, as well as individually assigned numbers, symbols, etc.)
- Information that will allow easy reference to other information and will thereby enable the identification of the individual.

Name	+	Address, age, telephone number, gender, date of birth, name of company, employment position, qualifications, family information, photographs of the individual's face and other images and videos of the individual, e-mail address, individually assigned ID or personal identity number, biometric authentication information, as well as personal information items that require consideration to prevent unjust discrimination, prejudice, or other disadvantages befalling an individual, such as social status (race, ethnicity, etc.), creed (ideology, faith), criminal record, genetic information, as well as information on health and mental/physical condition, etc.
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## 12. Compliance with Laws and Regulations Regarding Import and Export

All laws and regulations regarding import and export must be complied with in order to prevent international threats such as the transfer of advanced goods and technologies possessed by advanced nations, including Japan, to terrorists or nations that are developing weapons of mass destruction and the excessive accumulation of conventional weapons. It is also necessary to avoid the risk of getting involved in transactions of concern as well as to prevent violations of laws and regulations by properly implementing security trade control (import/export control).

(Conduct required)

- 1) Comply with all export-related laws and regulations when exporting goods of any type and when providing technologies.
- 2) Comply with all export control laws and regulations of Japan as well as with US export control laws and regulations (EAR<sup>\*5</sup>).
- 3) In addition to complying with laws and regulations, strictly follow the internal export control rules/procedures voluntarily implemented by the company.
- 4) Comply with all import-related laws and regulations when importing products.

\*5 : Export Administration Regulations

(\*) Specific examples of infringements

- 1) Taking goods (freight) subject to regulation out of the country as personal baggage without obtaining the required export license.
- 2) Sending goods and technologies regulated by the U.S. Export Administration Regulations (EAR) to parties sanctioned under security export control.
- 3) Completing export control procedures based on false information at the request of a customer.
- 4) Intentionally declaring prices that differ from actual prices on import declarations submitted to customs authorities.
- 5) Purchasing and bringing home counterfeit consumer goods (consumer goods that infringe intellectual property rights) while on overseas business trips.

\*The Foreign Exchange and Foreign Trade Act, which serves as the legislative grounding

The purpose of the Foreign Exchange and Foreign Trade Act is to control and coordinate foreign transactions, such as foreign exchange and foreign trade, for the purpose of aiding in the normal development of foreign transactions and maintaining peace and security for Japan and the international community.

In accordance with the Foreign Exchange and Foreign Trade Act, permission or approval from the Minister of Economy, Trade and Industry is required when importing or exporting specified goods, exporting goods or technologies to specified countries or regions, or importing goods from specified countries or regions.

\*U.S. Export Administration Regulations <U.S. Re-Export Controls>

When products, parts, technologies, or software manufactured in the U.S. are exported from the U.S. and then re-exported to a third country, they are subject to U.S. laws and regulations in accordance with the destination, user, type of goods or technology exported, and the ratio of U.S. products or technologies to total export volume.

### 13. Political Contributions, Lobbying Activities

Many countries have legal regulations regarding contributions to public officials, public employees, and political parties. Japan has a Political Funds Control Act and a Public Offices Election Act. It is necessary to regulate political contributions so that they cannot be regarded as bribes given with dishonest intentions. Some countries also place restrictions on lobbying activities. Contributions to political parties and lobbying activities must be in conformance with the relevant laws and regulations of each country.

(Conduct required)

- 1) Avoid making political contributions to gain unfair benefit or when it is prohibited by laws and regulations to prevent bribery.
- 2) Make political contributions solely as part of the company's corporate social responsibility. Company directors and employees must not make political contributions for reason of personal preference for a political party or to gain personal benefit.
- 3) Only make political contributions when the political activities of a political organization or politician are in line with the management principles of the LOGISTEED Group.
- 4) Avoid making political contributions to public officials, public employees, or political parties for the purpose of conducting political activities without prior consent from the company department in charge of such activities.
- 5) It is not possible to conduct lobbying activities in countries that restrict such activities without disclosing information to the government.

(\*) Specific examples of infringement

- 1) Contributions for political activities made to individuals and organizations other than political parties, branches of political parties, and political funding organizations.
- 2) Requesting and soliciting on the part of the company to other parties for contributions that constitute infringements.
- 3) Contributions of money and marketable securities to candidates for public office for political activities (excluding election campaigns).
- 4) Contributions related to political activities by a contributor in an amount that exceeds the limit placed on monetary contributions made in one year by one contributor.
- 5) Contact with members of the Diet, Parliament, Congress, etc., competent authorities, and public employees in countries that place restrictions on lobbying<sup>\*6</sup> activities.

<sup>\*6</sup> What is lobbying?

Lobbying is political activity undertaken by private individuals and organizations for the purpose of influencing decisions related to government policies.

## 14. Money Laundering

Money laundering refers to a series of methods taken to conceal the origin of money obtained by criminal acts and other illegal means and convert it into funds that can be freely used in the general marketplace by making it appear as though the funds were obtained through legitimate means. Money laundering is restricted by agreements of international conferences and the criminal law of each country.

(Conduct required)

- 1) Do not tolerate money laundering.
- 2) Always be alert and ensure that no payment contain incomprehensible method, so as not to let money laundering go unrecognized.
- 3) Report any suspicious activity you learn of as well as any suspicious requests you receive from persons in or outside the company regarding payments or billing to the business unit in charge of compliance.

(\*) Specific examples of matters for caution

- 1) Payment made in a different currency than the currency on the bill.
- 2) Payment or partial payment made from a country that is not related to the transaction.
- 3) A party trying to settle payment in cash or the equivalent of cash.
- 4) Payment made by a third party with no connection to the contractual agreement.
- 5) Payment made from an account different than the account normally used for transactions.
- 6) A request made to pay several bills by several different methods.
- 7) Payment in excess of the invoiced amount followed by a request for a refund of the excess amount.

## 15. Procurement

Business connections are placed as partners in value creation and it is necessary to create relationships of trust and work toward mutual business growth.

Do not use a dominant bargaining position in a transaction to make one-sided decisions or changes regarding transaction conditions, or unreasonable requests. Promote fair and impartial transactions with all business connections.

(Conduct required)

- 1) Conduct business through appropriate procedures in conformance with company rules and regulations.
- 2) Build relationships of trust with suppliers and conduct fair and impartial transactions.
- 3) In selecting suppliers, make fair and impartial selections based on sufficient evaluation of quality and prices, corporate management stability, compliance, environmental protection and CSR activities, and other indicators that the companies are fulfilling their responsibility to contribute to society and respect human rights, including engagement in the following promotion items<sup>\*7</sup> by suppliers, and confirm that candidate companies are not involved in transactions of an anti-social nature.

<sup>\*7</sup> promotion items: What we ask our valued suppliers to promote.

1. General CSR activities  
(1) Vigorous promotion of CSR activities, and (2) Contribution to society and community.
2. CSR Activities for The Environment  
(1) Management of hazardous chemicals in products,  
(2) Management of hazardous chemicals used in manufacturing,  
(3) Establishing and applying an environmental management system,  
(4) Minimization of environmental pollution (water, soil, air),  
(5) Obtaining permission for environment/administrative approval,  
(6) Resource and energy saving by reusing, reducing and recycling (3R),  
(7) Reduction of greenhouse gas emissions,  
(8) Waste reduction, and  
(9) Disclosure of environmental preservation activities.  
※3R : Reduce、Reuse、Recycle
3. CSR Activities for Corporate Ethics  
(1) Prohibition of corruption, bribes, etc., (2) Prohibition of abuse of a superior bargaining position,  
(3) Prohibition of offering or accepting inappropriate profit and advantage,  
(4) Prohibition of impediment to free competition, (5) Provision of accurate information on products and services,  
(6) Using appropriate export procedures, (7) Disclosure of appropriate company information, and  
(8) Prompt detection of mistakes, wrong doings and injustice.
4. CSR Activities for Production  
(1) Ensuring product safety, and (2) Establishing and applying a quality assurance system.
5. CSR Activities for Information Security  
(1) Defense against threats on the computer network, (2) Prevention of leakage of personal information, and  
(3) Prevention of leakage of confidential information of customers and third-parties.
6. CSR Activities for Occupational Health and Safety  
(1) Applying safety measures for equipment and instruments, (2) Safe activities in the workplace,  
(3) Hygiene in the workplace, (4) Applying appropriate measures for occupational injuries and illnesses,  
(5) Emergency responses, (6) Consideration to physically demanding work,  
(7) Health and safety of facilities, and (8) Employee health management.
7. CSR Activities for Human Rights and Labor  
(1) Prohibition of forced labor, (2) Prohibition of inhuman treatment,  
(3) Prohibition of child labor, (4) Prohibition of discrimination,  
(5) Paying appropriate wages, (6) Regulating working hours, and  
(7) Respecting rights to freedom of association.

(Specific examples of prohibitions)

- 1) Use of a dominant bargaining position to force unreasonable orders on suppliers for supply of goods and services by setting delivery deadlines that are clearly much shorter than normal.
- 2) Use of a dominant bargaining position to force suppliers to provide goods and services for low prices that exceed reasonable limits.
- 3) Discriminatory treatment toward a specific supplier without reasonable grounds by having the supplier provide products and services for prices lower than those of other suppliers
- 4) Receiving personal benefits from suppliers.
- 5) In the course of transactions with suppliers, authorize one person to perform and be responsible for at least two of the following: "request for order," "conclusion of contractual agreement," and "receipt and inspection".



## 16. Integrity of Records and Reports

In order to ensure the accuracy of information required to be disclosed to all company stakeholders and the general public, data and text in documents must be accurately recorded.

Particularly in preparing financial information for disclosure, it is necessary that accounting of all transactions subject to account processing is done correctly and in good faith. Fair reporting of financial information is extremely important from the standpoint of all of the company's stakeholders and also in order to maintain confidence and trust in the company.

Recording and reporting of information must be complete, fair, and accurate, and made in a timely manner.

(Conduct required)

- 1) All transactions must be duly authorized in conformance with company rules and regulations.
- 2) All transactions must be promptly and correctly recorded and stored.
- 3) Account processing must be done in compliance with all accounting rules, relevant laws and regulations, and other generally recognized fair and appropriate accounting standards.
- 4) Establish and appropriately operate an internal control structure for financial reporting.
- 5) Information required to be disclosed to the general public and reports that must be submitted must be complete, fair, and accurate at all times.

(\*) Specific examples of infringement

- 1) Intentional creation of incorrect financial records, for window-dressing accounts.
- 2) Misappropriation and embezzlement of funds by deceptive means and paper trading.
- 3) Avoidance of or delay in disclosing the necessary information to external parties or submitting reports.
- 4) Recording and reporting that involves concealment of information that is inconvenient for the company and falsification of facts.

## 17. Document Management

Company documents (including data) constitute correct records of information on organizational activities that cannot be changed, and can serve as legal evidence. Therefore, document management is essential in order for the company to fulfill its obligation of accountability. Documents that record what the organization did and when it was done must be stored for easy access whenever necessary.

(Conduct required)

- 1) Comply with company rules and regulations regarding storage and disposal of company records.

(\*) Specific examples of infringement

- 1) Preparing documents that contain false information.
- 2) Inappropriate changes to or modifications of company documents, or disposal of documents that is not in conformance with company rules and regulations.

## 18. Handling of Company Assets

Company assets (both tangible and intangible) are important to achievement of the company's objectives. Damage to the value of company assets damages the company. All measures necessary to protect the value of company assets must be taken.

(Conduct required)

- 1) Use any and all company assets solely for legitimate business objectives and in compliance with company rules and regulations.
- 2) Manage any and all company assets appropriately in compliance with company rules and regulations.

(\*) Specific examples of infringement

- 1) Using information equipment or other company-owned property for personal use or otherwise improperly without permission.
- 2) Taking or attempting to take workplace items or information handled by the company (documents, electronic data, etc.) out of the workplace without permission.
- 3) Destroying, breaking, abusing, concealing, losing, or leaking company facilities, power, materials, machinery, tools, products, documents, postings, information handled by the company (documents, electronic data, etc.) or other items whether intentionally or through gross negligence.
- 4) Leaking or attempting to externally leak any material business secrets (including trade secrets and personal information belonging to this or any other company).

## 19. Relationships with Customers

- (1) Not only satisfy customers' needs and specifications, and meet relevant laws, regulations and standards in the provision of service, but also strive to ensure quality and safety by establishing voluntary standards where necessary.
- (2) Make an effort to sincerely communicate with customers, swiftly respond to defects and complaints from customers faithfully, identify their causes and endeavor to thoroughly prevent their recurrence or occurrence.

## 20. Refusal of Relations with Anti-Social Forces

\* In countries other than Japan, apply the matters prohibited or judged to be inconsistent with corporate ethics in each country.

Companies have a legal personality and conduct corporate activities within the context of society; as such companies have corporate responsibility toward society. Giving in to violence and threats and unreasonable demands made by anti-social forces or parties closely associated with anti-social forces constitutes abdication of responsibility and betrayal of society, and leaves the company open to harsh criticism. Make firm responses to the unreasonable demands of anti-social forces and do not supply them with any kind of profit. All relations with anti-social forces must be refused and corporate ethics must be thoroughly instilled and practiced throughout the LOGISTEED Group.

(Conduct required)

- 1) When entering into agreements or memorandums of understanding with business connections, include clauses on the exclusion of antisocial forces.
- 2) Investigate the affiliations of suppliers (using search services, etc.).
- 3) When problems arise, promptly contact the Anti-Social Trading Prevention Committee and the police.

(\*) Specific examples of prohibitions

- 1) Giving in to unreasonable demands out of fear of anti-social forces.
- 2) Making use of anti-social forces.
- 3) Providing funds to anti-social forces.
- 4) Having relations with anti-social forces.
- 5) Transacting with anti-social forces.

## 21. Internal Reporting

The LOGISTEED Group has set up a system for reporting illegal acts and wrongdoing. When a matter is reported, an investigation is conducted to determine the facts of the matter and remedial action is taken as necessary. All employees should be aware that you have an obligation to report to the company any acts that you suspect are illegal or likely to be illegal. Persons making internal reports will never be treated disadvantageously.

(Conduct required)

- 1) If you encounter any matter that constitutes or is likely to constitute violation of this Code of Conduct, immediately report the matter to your supervisor. If you hesitate to report the matter to your supervisor, you may report it to another manager or one of the contacts for internal reporting.

\* Examples of matters subject to reporting

- Power harassment
- Sexual harassment
- Irregular transactions (dishonest accounting)
- Violation of laws and regulations

## 22. Crisis Management

In the event of a natural disaster, the LOGISTEED Group needs to not only ensure the continuity of business, but also fulfill its social responsibility as a company providing social infrastructure and play a role in the system for supplying relief supplies.

The Group also makes an organized effort to take appropriate steps to ensure the safety of employees and the continuation of business activities in response to threats such as cyberattacks and other physical acts of terrorism.

In order to fulfill this responsibility, it is necessary to establish a “Business Continuity Plan (BCP)” under normal circumstances, identify operations that cannot be stopped even in the event of a disaster, etc. (important operations), consider alternative means for when management resources for executing these operations are damaged, and make preparations for acting without panic through training.

(Conduct required)

- 1) First ensure your own safety and then assist with the safety of other employees and family members.
- 2) Store supplies including first-aid equipment, and enough food and water to last for several days after the disaster occurs.
- 3) Establish a system for ensuring business continuity. Establish a system enabling business to be restored as quickly as possible because interruption of the company’s business affects not only customers, but also many other relevant parts of society.
- 4) Revise the BCP in each time for the “behavioral procedures” and “alternative means” in the event of a disaster to enhance the ability to respond in the event of a disaster by conducting training based on the “Business Continuity Plan (BCP)” and considering and resolving issues identified in training.

## 23. Responsibility of Top Management

Top management must make every effort to set an example to ensure business is conducted based on corporate ethics and legal compliance in accordance with this Code of Conduct, and endeavor to promptly take corrective action and prevent recurrence if a violation of this Code of Conduct occurs. Strict punishment, including on top management itself, must be imposed in the event of such violations.