

"Think and act from
other people's perspectives".

Code of Conduct

【4th edition】



What is “compliance”?

Our definition of “compliance” is that we think of others in everything we do.

The word “compliance” is generally used to refer to the act of “observing a law or regulation.” The original meaning of the word, however, is “being willing to do what other people expect of you.” In other words, to be in compliance, it is necessary not only to act according to the rules of your workplace and general commonsense of society but also to take seriously and pay due regard to what customers and other members of society, as well as colleagues, expect you to do. It is important that “we think of others in everything we do,” as reflected in Duskin’s philosophy of Sowing the Seeds of Joy and Prayerful Management.

The Duskin Code of Conduct is a mirror of our everyday behavior, helping us to reflect on our actions.

The Duskin Code of Conduct is a written set of guidelines for our behavior that helps each one of us to gain trust from customers and society while practicing Duskin’s Prayerful Management. Duskin can ensure genuine customer satisfaction when we all follow the Duskin Code of Conduct, which acts as a mirror for reflecting on our everyday behavior.

Employee No. _____

Name _____

Code of Conduct Statement

Aiming to be “a trustworthy and reliable company”

1. We always think of customers in everything we do.
2. We observe the law in all that we do.
3. We are ethical in all our actions.
4. We take our pride in everything we do.

The Four Self-check Questions

1.

Are you genuinely thinking of customers in your actions?

2.

Are you observing the law in your actions?

3.

Are you ethical in your actions?

4.

Are you sure that you can take pride in your actions?

Hotline Contact Information

Are there times when you witness or hear of illegal or immoral acts, or suffer from sexual or power harassment, in your everyday work but find it difficult to consult with your superiors or colleagues? Duskin's company rules stipulate that the company must strictly protect all private information about the users of its hotline. This information includes their names and the content of their calls. We assure all hotline can use the company's hotline service without any fear of retribution such as discrimination or unfair dismissal.

Internal Hotline

Corporate Compliance Office
Legal Affairs and Corporate Compliance Department
Duskin Co., Ltd.

Address: 1-33 Toyotsu-cho, Suita-shi, Osaka
564-0051

External Hotline

Duskin Hotline Reception Desk
Nakajima Transactional Law Office

Address: 24F Kasumigaseki Building, 3-2-5
Kasumigaseki, Chiyoda-ku, Tokyo 100-6024

1. Provision of safe and reliable products and services

We will take responsibility for quality at all stages — research, development, purchasing, manufacturing, distribution, customer use and disposal — to deliver safe and reliable products and services to consumers and customers. We will respect and make full use of the feedback from consumers and customers for the development, improvement and enhancement of our products and services.

2. Sincere response to faults and defects

If there are any faults or defects with our products or services, we will promptly disclose such information and prioritize relief for those affected. After investigating the cause of the problem, we will make every effort to prevent a recurrence. If there is any risk that we may cause inconvenience to our consumers and customers, we will swiftly and accurately communicate the facts and respond sincerely.

3. Response in times of crisis

In the event of an accident or incident, we will prioritize the lives and health of consumers and customers, respond quickly and appropriately and prevent any further damage.

4. Thorough protection of personal information of consumers and customers

We will properly manage the personal information of consumers and customers obtained through our business activities in accordance with laws, regulations and company rules. We will use and provide such information to third parties only within the scope of the person's consent, except when it is for the protection of a human life and body or personal property, or as required by law.

5. Appropriate labeling and explanations

Not only will we fully understand and comply with relevant laws and regulations regarding the content and handling of our products and services, but we will also provide accurate and clear labeling and detailed, appropriate explanations to ensure that consumers and customers can make informed choices and decisions without any misunderstanding or misjudgment.

6. Proper sales activities and service provision

We will conduct honest sales activities and provide services in compliance with the rules of fair trade. We will also politely decline any gratuities or gifts from customers.

7. Fulfilment of promises to consumers and customers

When engaging in sales activities and responding to sales enquiries, we will take responsibility for our words and actions and fulfill our promises to the end.

8. Building and strengthening relationships of trust with consumers and customers

We will respond promptly and sincerely to complaints, opinions and requests from consumers and customers. On the other hand, we will firmly address excessive demands or unreasonable claims, including harassment (so-called customer harassment).

9. Consideration for the diversity of consumers and customers

We will not be bound by particular ways of thinking and will consider the diversity of consumers and customers, responding in a manner that is empathetic to each person's feelings.

1. Coexistence with local communities

In order to contribute to local communities through our business operations, we will respect the cultures and customs of various regions both in Japan and overseas and conduct business activities based on trust.

2. Consideration for the safety and security of local communities

As a member of the local community, we will ensure — by complying with laws, ordinances and administrative agency rules regarding water pollution, air pollution, noise and odors — that residents living near our offices, shops and factories can maintain a safe and healthy life. We will establish our own standards and engage in activities with full consideration for local residents, while disclosing relevant information in good faith.

3. Participation in CSR programs

As a member of the local community, we will actively participate in various corporate social responsibility (CSR) programs, such as environmental beautification and welfare activities for people with disabilities, and contribute to the sustainable development of the local community.

4. Response to anti-social forces

We will firmly reject any undue pressure or monetary demands from anti-social forces or groups. In addition, we will never maintain relationships that may lead people to mistakenly believe we are engaged in suspicious dealings with anti-social forces.

5. Maintaining sound relationships with administrative bodies

In our relationships with government agencies and their employees, we will comply with laws, ordinances and administrative agency rules, and will never offer money, gifts or entertainment.

1. Global environmental conservation

Each and every one of us will understand the importance of protecting the global environment and will always take the environment into consideration in business activities and all aspects of daily life.

2. Formation of a circular economy

We will promote the development of a circular economy that effectively utilizes limited resources, based on our approach to recycling as stipulated in our Environmental Policy Statement, which advocates “repeated use, shared use, reduction of needless waste and disposal.”

3. Response to climate change

We will contribute to the realization of a net-zero emissions economy by promoting energy savings and expanding the use of renewable energy in all of our business activities.

4. Creation of an ecosystem where people coexist with nature

We recognize that our business activities depend on, and also have an impact on, ecosystems both in Japan and overseas. We will remain committed to protecting biodiversity.

5. Continuous improvement on reducing environmental impacts

We will work to reduce our environmental impacts through the development of environmentally friendly products and services. We will operate in line with an environmental management system and endeavor to enhance our environmental awareness through continuous self-learning.

1. Legal compliance in transactions

We will fully understand and comply with relevant laws and regulations, and also ensure fairness in all transactions in order to maintain trusting relationships with our business partners. We will also request our business partners to ensure compliance.

2. Ensuring the safety of products and services

We will constantly share and verify information pertaining to quality and safety with our business partners in order to provide safe and reliable products and services to consumers and customers.

3. Equal relationships with business partners

We will engage in thorough discussions with all business partners on an equal footing and strive to build sustainable, mutually beneficial relationships across the entire supply chain.

4. Selection of, and ongoing engagement with, responsible suppliers

When selecting business partners and continuing to do business with them, we will follow proper procedures by considering not only price, quality and delivery time, but also aspects of the entire supply chain, including efforts to address business and human rights (such as human rights protection, labor practices and child labor) and environmental conservation.

5. Maintaining business relationships within reasonable limits

We will build relationships of trust with our business partners by deepening communication in our operations. We will not accept, offer or solicit entertainment, hospitality or gifts beyond the bounds of social norms*, including instances involving our families.

* The bounds of social norms refer to instances that do not influence business decisions.

1. Building and maintaining healthy relationships

We will share our philosophy with franchisees and other stakeholders, because we believe we are in the same boat and heading in the same direction. We consider them to be indispensable partners in “sowing the seeds of joy” for consumers and customers, and as such, we will listen attentively to their feedback and deepen dialogue at every opportunity.

2. Fulfilment of contractual obligations

We will sincerely fulfill the obligations stipulated in franchise agreements, agency agreements and subcontracting agreements with franchisees and other stakeholders. We will not engage in acts that unfairly exploit business relationships.

3. Guaranteeing safe and reliable quality

We will maintain a quality assurance system covering the development stage through to market launch so that franchisees and other stakeholders can confidently provide products and services to consumers and customers.

4. Sharing of accurate information

We will appropriately and accurately provide franchisees and other stakeholders with information necessary for business activities. We will also provide sufficient information based on statutory disclosure documents to people wishing to become franchisees, so they can understand the terms of the agreement before signing.

1. Timely and proper disclosure of company information

We will disclose information that is required by laws, regulations and stock exchange rules in a timely, proper and fair manner*.

*Timely, proper and fair disclosure means:

- (1)when important internal information is disclosed on the stock exchange's website (TDnet), and
- (2)when reports concerning financial results (such as securities reports) are published on the Financial Services Agency's website (EDINET).

2. Gaining trust through dialogue

We will make every effort to develop an environment where we can actively engage in dialogue with shareholders and investors by accurately and proactively disclosing business information necessary for investment decisions through investor relations (IR) and shareholder relations (SR), thereby ensuring trust in the capital markets.

3. Establishment of a strong business foundation and sustainable growth

We consider it an important responsibility to return profits to shareholders in a stable and continuous manner, and we will promote sound business management and strive to establish a strong business foundation, achieve sustainable growth and enhance profitability.

4. Proper use of company assets

We will properly manage the assets entrusted to us by shareholders and investors and will not use them for purposes other than business.

1. Respect for human rights

As employees, we will be considerate of each other so that every individual can maximize their individuality and capabilities. In addition, we will respect the human rights of everyone involved and endeavor to create an open workplace environment. If we become aware of any human rights violations, we will notify the human resources department or submit a report through the company's internal whistleblowing system.

2. Fair evaluation and elimination of discrimination

We recognize there to be different ways of thinking and diverse values among employees and we will ensure that no one is discriminated against in workplace evaluations or treatment based on gender, sexual orientation, age, nationality, race, beliefs, religion, or physical or mental disabilities.

3. Active participation of diverse human capital

We will recognize and respect the differences of every person, including each individual's diverse background and values. We will endeavor to create a workplace where individuals can maximize their abilities and thrive. We will also work to deepen our understanding of childcare and caregiving so that employees can maintain a healthy work-life balance.

4. Autonomous and responsible actions

We will strive to think for ourselves and act autonomously, not leaving everything to others in our work. We are aware that we are foremostly responsible for the results of our own actions and will not shift blame onto others.

5. Interdepartmental collaboration

We will work across departmental boundaries to address challenges in order to deliver safe and superior products and services to consumers and customers.

6. Response to misconduct

We will strictly deal with misconduct. If an employee is coerced into engaging in fraudulent activity, or if we notice any kind of wrongdoing or suspicious activity, we will immediately notify a supervisor or submit a report through the company's internal whistleblowing system.

7. Prohibition of insider trading

We will not engage in fraudulent stock trading leveraging undisclosed material information or any actions that may be suspected of such act, regardless of personal or third-party gains. We will also take care to ensure that trades without fraudulent intent do not constitute insider trading.

8. Rigorous information security measures

We will properly manage important company information obtained through the course of our work and will not use or disclose it for unintended purposes. We will also strictly manage the handling of information devices and documents in accordance with company rules. We will act cautiously and with a heightened sense of awareness to prevent the leakage of such information when conversing outside the company or when using social media. Even after leaving the company, we will not disclose any such information learned during our period of employment.

9. Maintaining occupational health and safety

We will strive to maintain and improve a safe and hygienic workplace environment to prevent workplace accidents by fully understanding and complying with relevant laws and regulations, and also by ensuring that employees can unleash their full potential.

10. Ban on mixing business with personal affairs

We will not appropriate company assets for personal use or use them for purposes other than those approved by the company. Company assets refer to both tangible and intangible items, including money, products, equipment, vehicles, supplies, software, customer lists and know-how.

11. Respect for intellectual property

We will respect the intellectual property rights of others, such as copyrights and patents, and conduct thorough investigations to ensure we do not infringe upon them. In this process, we will obtain permissions for use whenever necessary.

12. Prohibition of harassment

We will reflect on our actions and remain constantly aware of whether our words and actions are appropriate, thereby ensuring that we do not engage in sexual harassment, so-called power harassment in the workplace or unreasonable treatment based on pregnancy or childbirth.