

Ryoyo Group Code of Conduct

Chapter 1. Overview

The Ryoyo Group (Ryoyo Electro Corporation and its subsidiaries) has established this Code of Conduct to ensure that everyone working at the Group does their part to address social issues such as sustainable economic growth and global protection, in accordance with our “VALUE and PRIDE” Action Policy.

This Code is structured based on the Responsible Business Alliance Code of Conduct, taking into account consistency not only across the Ryoyo Group but also across the supply chain. It outlines the fundamental principles that guide our conduct, including compliance with relevant laws and regulations in the countries and regions in which the Group operates, respect for international norms, and the Ryoyo Group’s duty to fulfill its social responsibilities and maintain a management system that ensures that we live up to these principles.

Chapter 2. Fundamental Principles

1. The Human Rights of Workers

1. (1) Prohibition of Forced Labor

The Ryoyo Group does not use forced labor, bonded labor, or exploitative prison labor, nor labor obtained by slavery or human trafficking. We do not force people to work in any way, and we protect workers’ right to leave and terminate their jobs. We explain the main terms and conditions of employment in writing and verbally to persons who wish to be employed for work, and we conclude labor contracts governing that employment. We do not store original identity documents such as workers’ passports or driver’s licenses. In addition, we do not restrict or limit the activities of workers outside of work hours.

2. (2) Prohibition of Child Labor, Consideration for Young Workers

The Ryoyo Group does not use the labor of children under the minimum working age. Further, it does not allow young workers under the age of 18 to engage in work that may be detrimental to their health or safety, such as night or overtime work. Interns are paid more than the legally required wage.

3. (3) Work Hours

The Ryoyo Group does not require workers to exceed local legal and regulatory limits on work hours and properly manages work hours and holidays for workers, taking into account global standards.

4. (4) Wages and Benefits

The Ryoyo Group complies with all applicable laws and regulations on wages for workers (including minimum wages, overtime payments and allowances and deductions required by law). In addition, in order to ensure payment of wages sufficient to cover living necessities (a living wage), the Group will not use deductions from wages as a disciplinary measure. When paying wages, appropriate withholding shall be performed, a salary certificate shall be issued, and the salary deductions such as taxes and insurance shall be checked.

5. (5) Prohibition of Inhumane Treatment
The Ryoyo Group respects the human rights of workers and prohibits mental and physical abuse, forced labor, harassment and other forms of inhumane treatment, as well as any conduct that could potentially be considered such.
6. (6) Prohibition of Discrimination
The Ryoyo Group prohibits discrimination related to recruitment, dismissal, employment practices, pregnancy tests, health exams, etc., on the basis of race, color, age, gender, sexual orientation, gender identity and expression, ethnicity or nationality, disability, pregnancy, childbirth, childcare, religion, political party, membership or union, military membership or lack thereof, protected genetic information, or marriage history. In addition, we give due consideration to the wishes of our workers related to religious practices.
7. (7) Freedom of Association / Collective Bargaining Rights
The Ryoyo Group respects the right of workers to associate collectively as a means of implementing labor-management consultations, on matters such as the labor environment and wage standards, in accordance with local laws and regulations, and, based on this respect, ensures equal treatment to all workers.

2. Friendly, Safe and Hygienic Work Environment

1. (1) Diversity & Inclusion, Work-Life Balance
The Ryoyo Group promotes diversity & inclusion and work-life balance as two key drivers for fostering a corporate culture in which diverse human resources can make the most of their capabilities. We maintain a personnel system that enables workers to make the most their abilities, supports career development and skill development, and respects the individuality of workers, and we develop systems for offering flexible workstyles that enable workers to balance work with child-rearing, nursing care, and treatment.
2. (2) Occupational Safety
The Ryoyo Group identifies and assesses risks regarding occupational safety and maintains safety by practicing proper design, engineering and administrative controls. In particular, we offer reasonable considerations to women during the period of maternity and to mothers during the nursing period.
3. (3) Emergency Preparedness
The Ryoyo Group prepares for disasters, accidents, pandemics, and other emergencies that may impair physical and personal safety by identifying the potential for such situations to occur. Accordingly, we prepare action procedures to follow in emergencies that will minimize harm to workers and damage property, set up the needed facilities, and conduct regular education/training and inspections of facilities to ensure that proper actions can be taken in the event of a disaster, etc.
4. (4) Occupational Injury and Illness
The Ryoyo Group takes appropriate precautions and corrective actions, including identifying, assessing, recording and reporting the status of occupational injuries and illnesses, and providing emergency supplies with clear first aid protocols.
5. (5) Industrial Hygiene
The Ryoyo Group identifies and assesses the risks that workers may be exposed to hazardous biological, chemical, and physical impacts in their workplaces, and appropriately manages these risks by obtaining the required licenses and approvals.

6. (6) Physically Demanding Work
The Ryoyo Group identifies and evaluates physically demanding tasks and appropriately manages them so that this kind of work does not cause occupational injuries or worker illnesses.
7. (7) Machine Safeguarding
The Ryoyo Group evaluates whether there are any safety risks related to the machinery and equipment used by workers in their operations, obtains the necessary licenses and approvals, and implements appropriate safety measures.
8. (8) Health and Safety of Facilities
The Ryoyo Group ensures that the health and safety of facilities for living (dormitories, cafeterias, toilets, etc.) provided to workers are adequate. We also ensure that these facilities have the capacity to store personal property and valuable items, as well as an amply sized personal space that can be entered and exited properly.
9. (9) Health and Safety Communication
The Ryoyo Group provides appropriate health and safety educational and training, using languages and methods that workers can understand, about the various occupational hazards that workers may face. We also maintain a system for receiving feedback and safety-related opinions from workers.

3. Environmental

1. (1) Environmental Permits and Reporting
In accordance with the laws and regulations of the locations where the Ryoyo Group has business sites, the Group obtains the necessary licenses and approvals for its business and registers with and reports to the environmental authorities.
2. (2) Pollution Prevention and Resource Reduction
The Ryoyo Group minimizes or removes pollutant emissions as needed. We also work to reduce the use of natural resources, such as water, fossil fuels, minerals, and virgin forest products, as needed.
3. (3) Hazardous Chemical Management
The Ryoyo Group complies with laws and regulations and identifies, labels, and manages chemicals and other substances that pose hazards to the human body or the environment. It manages them to ensure that safe handling, movement, storage, use, recycling, or reuse, and disposal are implemented.
4. (4) Effective Utilization of Resources and Waste Management
The Ryoyo Group promotes reduce, reuse and recycling by complying with laws and regulations and conducting appropriate control, and strives to effectively utilize resources and minimize the generation of waste that requires disposal.
5. (5) Air Emissions and Noise Management
The Ryoyo Group complies with relevant laws and regulations and implements appropriate measures to reduce the release of hazardous materials into the atmosphere and reduce noise.
6. (6) Management of the Chemical Substances Contained in Products
The Ryoyo Group complies with all applicable laws, regulations and customer requirements relating to the prohibition or limitation of use of certain substances in its products.
7. (7) Water Management
The Ryoyo Group monitors the use and emission of water in compliance with laws

and regulations and works to save water. Similarly, we identify the properties of waste water and monitor, control, and process waste water prior to its discharge or disposal, as appropriate. We also identify the sources of contamination that may cause water contamination and manage them properly.

8. (8) Reduction of Energy Consumption and Greenhouse Gas Emissions
The Ryoyo Group strives to improve energy efficiency, continuously reduce energy consumption and greenhouse gas emissions, and contribute to the realization of a carbon-free society.
9. (9) Preservation of Biodiversity
The Ryoyo Group recognizes the need to address global environmental issues such as climate change, ozone layer destruction, acid rain, deforestation, and desertification. We are also concerned about the impact of these issues on ecosystem services. We cooperate and work together with various stakeholders to preserve biodiversity.

4. Fair Trade and Ethics

1. (1) Prevention of Corruption
The Ryoyo Group does not allow any form of bribery, corruption, extortion, or embezzlement.
2. (2) Prohibition of Inappropriate Provision of Improper Benefits
The Ryoyo Group prohibits bribes and other means of obtaining undue or improper advantage by promising, offering, permitting, providing or receiving improper benefits, whether directly or indirectly, and regularly monitors to ensure this does not occur.
3. (3) Disclosure of Information
In accordance with applicable laws and industry practices, the Ryoyo Group actively discloses information on labor, health and safety, environmental practices, business activities, organizational structure, financial situation, and performance, and engages in dialogue with stakeholders. Falsification of records and disclosure of false information is prohibited.
4. (4) Respect for Intellectual Property
The Ryoyo Group respects intellectual property rights and ensures that transfers of technology and expertise are performed in a manner that guarantees the protection of intellectual property. We also protect the intellectual property of customers, supplier, and other third parties.
5. (5) Fair Business Practices, Appropriate Export Controls, Advertising and Competition
The Ryoyo Group conducts fair business practices and carries out appropriate export controls, advertising, and competition.
6. (6) Protection of Whistleblowers
The Ryoyo Group protects the confidentiality of information pertaining to reports of compliance violations or other such issues, as well as the anonymity of the whistleblower, and ensures there is no retaliation against persons making such reports.
7. (7) Responsible Sourcing of Minerals
The Ryoyo Group conducts due diligence to ensure that the tantalum, tin, tungsten, gold, and other minerals contained in the commodities it handles are not procured in a manner related to or responsible for serious human rights violations,

environmental destruction, corruption, or conflicts in conflict areas and high-risk areas.

8. (8) Prevention of Insider Trading

The Ryoyo Group prohibits the trading of securities such as shares of Ryoyo Group companies or other companies based on insider information obtained in the course of work duties, prior to the public disclosure of such information. In addition, we prohibit the disclosure of such information to any third party other than those deemed necessary for business purposes.

9. (9) Policy on Organized Criminal Groups and Other Anti-Social Forces

The Ryoyo Group takes a firm stance against organized criminal groups and other antisocial forces that threaten the order and safety of civil society and hinder economic activities.

5. Quality and Safety

1. (1) Product Safety

The Ryoyo Group fulfills its responsibilities as a supplier by designing, manufacturing, and selling products that meet the safety standards stipulated by the laws and regulations of each country, that provide adequate product safety, and that contribute to sustainable economic growth and the resolution of global environmental issues.

2. (2) Quality Management

The Ryoyo Group complies with all applicable laws and regulations as well as its own quality standards and customer requirements with respect to the quality of its products. Our own quality standards and agreed customer requirements are documented, recorded and stored in contracts, customer requirements specifications, etc.

3. (3) Provision of Accurate Information about Products

The Ryoyo Group provides accurate information about its products, and never provides misleading information.

6. Information Security

1. (1) Defense from Cyber-Attacks

The Ryoyo Group takes defensive measures against threats from cyber-attacks, etc. to manage this risk so that such attacks do not cause damage to the Group or others.

2. (2) Protection of Personal Information

The Ryoyo Group manages and protects all personal information, including that of suppliers, customers, consumers, shareholders and employees, in compliance with applicable laws and regulations and by practicing appropriate acquisition, transfer, use, storage and disposal of such information.

3. (3) Prevention of Confidential Information Leaks

The Ryoyo Group properly manages and protects not only its own confidential information but also that received from customers and third parties.

7. Business Continuity Planning

The Ryoyo Group identifies and evaluates risks to business continuity, carries out business continuity planning (BCP) that examines these risks' potential impact on its business, and summarizes the preliminary measures required over the medium to long term and the status of initiatives.

8. Supplier Management

The Ryoyo Group communicates requirements based on this Code of Conduct to suppliers (suppliers and subcontractors), strives to assess risks and communicate them, and carefully manages the supply chain.

Chapter 3. Management System

The Ryoyo Group maintains a management system with respect to the content of this Code of Conduct and facilitates continual improvement by ensuring that the provisions of the Code are compliant with business- and product-related laws and customer requirements, and by identifying and mitigating operational risks related to the Code.

The abovementioned management system includes the following items.

1. • Leadership, Commitment, Policy
2. • Organizational Roles, Responsibilities and Authority
3. • Legal and Customer Requirements
4. • Risk and Opportunity Initiatives
5. • Goals and Planning
6. • Skills
7. • Communication
8. • Audits and Assessments
9. • Corrective Action Process
10. • Documentation and Records

Chapter 4. Implementation of This Code of Conduct

1. Scope of Application

1. (1) This Code of Conduct is established by the Board of Directors of Ryoyo Electro Corporation ("the Company"), shall come into effect pursuant to a resolution of the Board of Directors of each Ryoyo Group company, and shall apply to the officers, fulltime employees, limited-term employees, part-time employees, temporary employees, and other workers of each company.
Reports of and consultations regarding conduct that is in violation of this Code of Conduct (including violations of laws and regulations) should be made to the Ryoyo Group Compliance Hotline (the general manager of the Administration Division, the general manager of the CSR Division, and an outside hotline designated by the Company) established by the Company.
2. (2) Ryoyo Group companies may, with the Company's prior approval, revise this Code of Conduct for their use, according to the laws and regulations, business practices,

business formats, etc., of their respective countries or regions, but only to an extent not contrary to its purposes or fundamental principles.

2. Rigorous Measures in the Event of Violation

In the event that a violation of this Code of Conduct is confirmed, personnel shall be subject to strict discipline pursuant to laws and regulations including Japan's Companies Act in the case of officers, the employment rules of each Ryoyo Group company in the case of fulltime employees and limited-term employees, and individual employment agreements in the case of part-time employees, temporary employees and other employees.

Details of violations of the Code within the Ryoyo Group and the disciplinary or corrective actions taken to address those violations shall be reported to the Board of Directors of the Company, and steps shall be taken to prevent recurrence.

3. Revision and Abolition

This Code of Conduct may be revised or abolished in accordance with the same procedures for its establishment if revision or abolition become necessary in light of changes in social circumstances, etc.

The final revision of this Code of Conduct is December 1, 2021.